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CONTENTS

26 July 1993

NOTICE TO READERS: An * indicates material not disseminated in electronic form.

INTERNATIONAL AFFAIRS

- * Arens, Frckovski Meet Macedonian Serbs [Skopje VECER 28 May] 1

BOSNIA-HERZEGOVINA

- HVO Official on Muslim-Croat Conflict in Bosnia [GLAS SRPSKI 15 Jun] 2
- Causes of Republic of Srpska Power Shortage [GLAS SRPSKI 15 Jun] 2

CROATIA

- Radioactive Waste Dumped in Krajina [DELO 1 Jul] 4

CZECH REPUBLIC

- * Roots, Outlook of Czech Nationalism Explored [NEDELNI LIDOVE NOVINY 5 Jun] 6
- * Threat From Czech Populism Minimized [LIDOVE NOVINY 11 Jun] 8
- * History of Allegedly Ceded Villages Explained [LIDOVE NOVINY 10 Jun] 8
- * Comprehensive Report on State of Environment [RESPEKT 20 Jun] 9
- * Potential of Laser Weapons Assessed [RESPEKT 20 Jun] 11
- * Recent Developments in Foreign Investment Outlined [RESPEKT 20 Jun] 13
- * Dyba Expects Moderate GDP Growth in 1993 [HOSPODARSKE NOVINY 15 Jun] 15
- * Economist Views Inflation as Number-One Enemy [EKONOM 23 Jun] 16
- * Vital Economy Information Presented on Disk [LIDOVE NOVINY 11 Jun] 18

POLAND

- * Statistics on Narcotics, Amphetamine Production Viewed [TRYBUNA 19-20 Jun] 20

ROMANIA

- Voters, Officials Contrast Views of Parliament [LIBERTATEA 19-20 Jun] 22

SLOVAKIA

- * Meciar's Political, Psychological Profile Drawn [Prague LIDOVA DEMOKRACIE 1 Jul] 24
- * Law on Council of National Security Criticized [SLOVENSKY VYCHOD 22 Jun] 26
- * SNS Negotiations With HZDS Evaluated 27
 - * Talks To Be Long [PRAVDA 18 Jun] 27
 - * SNS Transformation [SME 21 Jun] 28
 - * SNS Risking Much [NARODNA OBRODA 21 Jun] 29
 - * SNS Stand Berated [SME 23 Jun] 29
- * Economic Policy Viewed; Details Unknown 30
 - * Devaluation Possible [PRAVDA 18 Jun] 30
 - * Austerity Unavoidable [SME 21 Jun] 30

SLOVENIA

- Kucan Interviewed on Problems of Transition [DELO 3 Jul] 32

YUGOSLAVIA

Federal

Yugoslav Army Plan To Protect Krajina [Ljubljana DELO 3 Jul]	39
--	----

Macedonia

* Information, Liaison Service Established [PULS 13 May]	39
* Political Aspects of Separate Istrian Identity [PULS 28 May]	41
* Ethnic Serb Party Opposes Foreign Forces, Bases [VECER 1 Jun]	43
* VMRO-DPMNE Considers Formation of Shadow Cabinet [PULS 4 Jun]	43
* Party of Yugoslavs in Macedonia Changes Name [NOVA MAKEDONIJA 7 Jun]	45

*** Arens, Frckovski Meet Macedonian Serbs**
93BA1094B Skopje VECER in Macedonian 28 May 93
p 5

[Article by G.M.: "Rights Within the Framework of the State"]

[Text] Yesterday Gerd Arens, the chairman of the working group for national ethnic issues of the Conference on Former Yugoslavia, held discussions in Skopje with representatives of the Democratic Party of Serbs, headed by its chairman Dr. Boro Ristic.

In the afternoon, Mr. Arens held a press conference at which he reported that an agreement is being drafted between the Macedonian authorities and the representatives of the Serbs in Macedonia, based on several principles. The representatives of the government had stated that people of Serb nationality will enjoy all the rights enjoyed by the remaining ethnic groups in the state. In turn, the Serbs made it clear that they will submit their requests within the framework of the Republic of Macedonia and will not display any separatist tendencies.

As to the demand to include the Serbs in the enumeration of ethnic groups in the preamble and in Article 78 of the Constitution, the government believes that at this

point it does not consider it possible to submit this question to the parliament. Minister Dr. Ljubomir Frckovski, the representative of the government at that press conference, said that the government will apply an effective way of proving that the Serbs will not be subjected to any different treatment. Pointing out that the failure to mention the Serbs in the Constitution occurred at a time when they did not accept being a minority or an ethnic group, he said that the government will suggest that two representatives of the Serbs be made members of the Council of Interethnic Relations that is governed precisely by the Constitution.

As to education in the Serbian language, Mr. Arens believes that this would pose no major problems, for the government would be able to resolve this issue wherever there is a sufficient number of interested students.

The fourth controversial issue related to the Church was not dealt with, for it was accepted that Church rules and regulations were not within the jurisdiction of that working group. However, Mr. Arens met informally with Gavril, Archbishop of Ohrid and Macedonia, who informed him that the MPC [Macedonian Orthodox Church] was prepared to appoint Serbian priests but under the jurisdiction of the MPC, to areas inhabited mostly by Serbs.

HVO Official on Muslim-Croat Conflict in Bosnia

93BA1247D Banja Luka GLAS SRPSKI in
Serbo-Croatian 15 Jun 93 p 7

[Article by V. Dubocanin: "Davor Kolenda, Secretary General of Croatian Defense Council in Travnik, on Genesis of Muslim-Croat Conflict in Former Bosnia-Herzegovina: Evil of Bayram"]

[Text] *After expelling Serbs, the Muslims began to expel Croat families from Travnik as well, but an even greater evil of Bayram began when the city was blockaded, civilians were killed, and more prominent Croats were taken away for parts unknown.*

The conflict between Croats and Muslims in the former Bosnia-Herzegovina has heated up lately. Analysts say that this is because of the Vance-Owen plan and that it is actually a fight for territory.

In some areas, however, such as Travnik for example, this conflict has been going on for much longer. But only now is it being seen that tying the Muslim and Croat flags together into an "unbreakable" knot was only a farce and evidence of the false alliance in the struggle against the Serb nation.

"The conflict between Muslims and Croats in Travnik has been going on for some time. It all began nine months ago with the murder of Ivica Stojak. Although it is known who killed him and how, not even an investigation was ever launched. This was followed by a series of attacks on Croatian Defense Council [HVO] formations. However, over the past six months it has been impossible to live in Travnik. According to the latest figures that were available to me, and I was minister for [word illegible], information, and refugee affairs in the government of Travnik Opstina, we had 17,500 primarily Muslim refugees in the territory of that opstina, of whom at least 5,000 were immediately mobilized. Thus, in Travnik there was a much stronger concentration of Muslim forces than in other areas. In that small city there were as many as four brigades of the so-called Bosnia-Herzegovina Army, while the Muslims had 17 brigades in all of central Bosnia-Herzegovina. The Muslims have lost a lot of territory in this war. They felt that we were weaker than the Serbs and turned against us in order to compensate for this lost territory with our ethnic land. Moreover, in recent times Croats have not even been allowed to move about Travnik freely. Islamic fanatics have even changed the names of butcher shops and stores and written them out in Arabic. Over the past two months, after they completed the expulsions of Serbs, at least 100 Croat families have been expelled from their homes in Travnik," Davor Kolenda says.

"However, the real conflict began in late April of this year. Immediately after Bayram, on 20 April, the Muslims completely blockaded the city. Killing, looting, and true lawlessness set in. Civilians were killed as well, and there was increasing number of cases where more prominent Croat civilians were taken away by Muslim fanatics to parts unknown. The real conflict began when Islamic

fanatics around Travnik began to burn Croat flags. We were unable to withstand this last Muslim offensive, in which they had a numerical advantage and were better armed. The fighting flared up. We had many dead and wounded. When our civilians were threatened, we asked UNPROFOR [UN Protection Force] to use their vehicles to move our sick simply from the western part of the city to the eastern part. They refused to help us, but they drove the Muslim commanders from their houses to the bars. We saw that we had to defend ourselves and save ourselves. We considered penetrating the corridor from the western to the eastern part of the city, but because of heavy Muslim artillery fire we were unsure that we would get the women, children, and elderly across in that way. That is why we decided to talk to the commanders of the Armed Forces of the Republic of Srpska, and to our satisfaction we successfully came to an agreement on saving our civilians from the invasion of Islamic evil. Our people believed me. They knew that I would not lead them to their deaths, and columns of refugees set out toward Vlasic. We were actually nicely received and welcomed, and we owe the Serbs only gratitude. I have no criticism whatsoever of the treatment in the receiving center in Manjac, where primarily members of the HVO were accommodated. They really treated us humanely. However, as far as I am concerned—and the majority of these people agree—there can be no more coexistence with the Muslims. We will eventually return to our homes in Travnik, even if they are burned down, but in that case there will no longer be any room for them," says Davor Kolenda, the leader of the Croat refugees from Travnik.

Causes of Republic of Srpska Power Shortage

93BA1247C Banja Luka GLAS SRPSKI in
Serbo-Croatian 15 Jun 93 p 3

[Article by Momo Joksimovic: "Everyone Gradually Getting Electricity—Banja Luka Least of All: Without 'Ugljevnik'—Darkness!"]

[Text] *Is there any basis to stories that the "Ugljevnik" Thermoelectric Power Plant [TE] is intentionally being kept shut down so that coal can be sold for much more money in Serbia, as well as in Romania and Bulgaria?; are coal miners earning as much as 2,000 German marks [DM] each while the people of Banja Luka sit around in the solitary darkness?; the danger to the "Ugljevnik" TE lies in the possibility of Muslim attack from Teocak, only 4 km away as the crow flies, but also in the "divided" Lake Snjeznica, which is held half by the armed forces of the republic of Srpska and half by Muslim forces.*

Banja Luka, 14 Jun—Although certain quantities of electric energy have been arriving lately to the greater territory of Krajina, or more precisely to the territory of the former community of Banja Luka Opstina—this thanks mostly to the fraternal understanding of distributors from Knin and the republic of Serbian Krajina—Banja Luka itself is still in the dark. Nevertheless, it must be emphasized that the economy is the top priority for delivery, but households are in "full reduction operation."

What could help to finally light up the city, so that our citizens could stop looking to the skies and to God, submitting like "rainmakers" to the god of rain and playing ritual games to make it fall and fill up the reservoir lake upstream on the Vrbas River?

This must be said immediately: Everything depends on the "Ugljevnik" Thermoelectric Power Plant. If it were operating, there would be electricity, or to be more precise, it could be conveyed through three alternative transmission lines. But mostly because of the war and the wartime events in the republic of Srpska, "Ugljevnik" will not be "started up" in the near future. There can be no basis (?) for reports, even from responsible officials and politicians, that "all the cards" at that economic giant are being played exclusively on mining coal and selling it to Serbia, or to Romania and Bulgaria. Even though well-informed sources say so, it is hard to believe that miners at "Ugljevnik" earn a monthly wage of DM2,000 each only from excavating. Allegedly, the wages are not paid in foreign exchange and do not go through the Public Auditing Service.

Three Variants

The real state of affairs regarding "Ugljevnik" is indicated by the fact that the thermoelectric plant is being "held" by members of the Armed Forces of the republic of Srpska. The adjacent lake for cooling the plant, Snjeznica, is half under our control, half under the control of Muslim forces. But much more dangerous is the Muslim military outpost at Teocak which is 7 km away from "Ugljevnik" by road but only 4 km away as the crow flies. The plant could be hit from there without any major problem, and that is why there is justified fear that it could be destroyed.

This means that even if "Ugljevnik" were to start up operation, it would be hard to believe that it could continue operating for long.

Regardless of all these possibilities, responsible people with the republic of Srpska electrical distribution system have taken all possible steps to somehow ensure the supply of electrical energy to Banja Luka and Krajina. Work is in progress to complete three transmission lines. The first goes from the Lesnica (Serbia) transformer station to Bijeljina, through Brcko, to Derventa and Banja Luka. Through it, the Serbian electric power industry should return part of the electricity that it has been getting all this time from the "Trebinjica" Hydroelectric Power Plant. Last year, 16 km of the transmission line was established. Unfortunately, the line was again destroyed between Bijeljina and Brcko, but experts say that if the necessary conditions are provided it could be repaired in 15 days at the most.

The second variant for a transmission line that could ensure the supply of electricity to the Banja Luka region would go from Brcko to Doboj. Work on it by workers from Belgrade's "Minelo" is in full swing. And the third possible variant for hooking up Banja Luka that is being looked at is a transmission line from Osijek to "Ugljevnik," which crosses our line in the town of Brod, near Brcko. But here too, everything depends on the "famous" "Ugljevnik."

Help From Knin

Whatever the case, it all boils down to "Ugljevnik." At the moment it is "blocked" by war operations, but the completion of work on the three variants of electrical transmission lines is expected. The Muslims are on the offensive, and as long as that lasts it is hard to do much more.

In the meantime, as we said earlier, help is arriving from Knin. People in the republic of Serbian Krajina have agreed to reduce their own power simply in order to help us. Knowing that their options are few, their brotherly attitude is more than laudable. Because one must understand that the "Golubic" hydroelectric plant, which is capable of producing three times 2.5 megawatts, the "Manojlovac," with two times 8.5, and "Obrovac," with 134 megawatts, are not enough even for their own needs, while electricity from Knin is arriving at Prijedor and Sanski Most via the newly constructed Petrovac transmission line.

It is well known that there is more than a little electricity in Banja Luka households. It is mostly directed to the economy. In other cities and regions of the republic of Srpska, the economy is practically "dead." Thus, households can "light up" a little more. Jealously and envy are unnecessary here. It is good that at least our enterprises are operating, although with capacities of no more than 25 percent.

Accordingly, there would be regular electricity in Banja Luka, with maximum quantities, if the "Ugljevnik" Thermoelectric Power Plant were to start up operation, but also if all the transmission lines were repaired after a military victory. Until then, we will remain in the dark. What we get from God is quickly gobbled up by "Bocac" and "Vrbas" I and II. And then they are dead again!

[Box, p 3]

"Ugljevnik" Strongest

A significant part of the production capacities of electric energy is in the republic of Srpska and under the control of our armed forces. The hydroelectric plants in question are "Jajce" I (2 x 32), "Jajce" II (3 x 12.5), "Bocac" (2 x 55), Visegrad (300 megawatts), "Trebinje" I and II, and "Zvornik." The strongest producer in terms of installed capacities is the "Ugljevnik" Thermoelectric Power Plant (2 x 345), where only one production phase has been rebuilt, and "Gacko," where the distribution network has been cut off, but which is completely under the control of the armed forces of the republic of Srpska.

If the reservoirs were full and there was enough water, the "Visegrad" Hydroelectric Power Plant alone could cover all the current needs of the republic of Srpska. If all the other installations were able to produce, there would be more than enough electricity for our own needs, and even some for export!

Radioactive Waste Dumped in Krajina

93BA1202D Ljubljana DELO in Slovene 1 Jul 93 p 5

[Article by Kresimir Meler and Branka Horvatek: "Radioactive SAO [Serbian Autonomous Area] Krajina"]

[Text] *Back in the 1970's the former JNA [Yugoslav People's Army] accumulated at least 10 tons of moderately and highly radioactive wastes in the present Serbian Krajina.*

From our associate.

During the past 10 years the former JNA, and also local and republic authorities in Croatia, accumulated at least 10 tons of moderately and highly radioactive wastes, and not exactly small amounts of equally dangerous extremely toxic and even carcinogenic chemical wastes, (mostly) on the territory of the present "Serbian Krajina."

These dangerous wastes started to be brought in back during the remote year of 1978, when then Federal Secretary for National Defense Nikola Ljubicic and Soviet Defense Minister Dimitrij Ustinov agreed on "military-technical cooperation." Within the framework of that cooperation, it was provided that the JNA would buy a certain number of MiG-21's and Luna missile systems from the USSR, and that they would also jointly become involved in the details of the Orkan multiple rocket launcher project, which was still in its infancy at that time. Since the JNA did not exactly have too much money, and it was counting seriously on a confrontation not only with Albania but also with West European countries, Ljubicic eagerly accepted a proposal according to which the JNA and the SFRY would solve their financial problems mainly by storing moderately and very radioactive wastes, which had arisen in the production of nuclear bombs in a certain military factory in the Urals, on the territory of the former Yugoslavia, in locations suitable for that purpose. To start with, they planned on four tons of such wastes, which Yugoslavia imported through Romania at the beginning of 1979. Some of them were stored at the Boris Kidric Institute in Vinca, and some of them in abandoned mine shafts at Stara Planina, not far from the Bulgarian border.

In the meantime, intensive preparations were begun in Banija in Croatia to receive these wastes. In time, the studies were limited to Malesevic mountain and elevation 267 [unit of measurement not specified] there, and to elevation 270 on Kodric mountain. A month later, Major General Branko Joksimovic, responsible for "internal security," was informed that "the geological and chemical properties of the soil at elevation 270 are completely suitable for the planned intentions. Studies have confirmed that this terrain is suitable for storing very dangerous materials." In addition to this report, a report was also sent to Belgrade by Major Nedeljkovic, which mentioned the possibility that this material might come into contact with the biosphere. Among other

things, the following was written in that report: "(...) The material's chemical properties can be dangerous if it is not handled in accordance with the instructions and rules. Any exceptional situation can have a negative effect upon vegetation, animal life, and people (...)."

Between October 1979 and September 1981, 13 tons of moderately and highly radioactive wastes were brought to that location through Bosanski Novi to the village of Cvetojevici. By the end of the year, another eight tons were also imported from the Soviet Union, and simply thrown into pits in the vicinity of Obrovac and Benkovac. The area in which these pits are located was considered for some time to be a "dead zone," and was later even abandoned.

The former USSR and the Yugoslav generals should not exactly be blamed for everything, however. Since there has never been any lack of difficulties in storing radioactive and toxic industrial wastes, for some time it has been fashionable to bury them in abandoned clay pits. There was also one of them near Glina, where Zagreb hospitals, with the assistance of private entrepreneurs, simply buried considerable quantities of already used radioactive needles and irradiated medical material, and also material left after various autopsies. Unfortunately, someone accidentally discovered these barrels, and then also removed one, which had already collapsed and from which biologically active material had leaked. Admittedly, several other barrels were also observed, but the experts, who came from Zagreb, thought that "they did not need to be examined." The excavations were then filled in somehow, and the area was declared unsafe.

That is not an isolated case. Because of a lack of real dumps for dangerous wastes, medical institutions, with the tacit agreement of republic ministries, invented a truly original solution: They hired several private shippers who could take radioactive and contagious wastes "wherever seemed appropriate to them." Since this was a rather elastic concept for the shippers, they mixed the wastes with waste concrete and soil, and dumped them in all sorts of places. Of the locations that they chose, probably the most interesting is the Zagreb industrial zone of Zitnjak, and in addition there is also the branch of the Sava next to the local heating plant and the uncultivated fields next to the INA-OKI [Oil Industry-Organic Chemicals Factory] factory.

Particularly noteworthy was the Zagreb Medical Research Institute, which had its own dangerous wastes, just like several other Zagreb hospitals, first of all unprotected in the open, and then it had everything taken to an abandoned clay pit near Vrginmost. We can state with certainty that radioactive and other (also contagious) wastes were also dumped near Dvor na Uni, Kostajnica, Glina, Petrinja, and Vojnic, and in pits near Slunj and Knin, Obrovac, Benkovac, and Kistanj. Let there be no confusion: Up until 1990 everyone distinguished himself in this, and otherwise things are not much better today. Because of the lack of suitable dumps, hundreds of radioactive wastes are simply thrown wherever people

think that "they will not be dangerous to anyone." No one is interested any longer in how all of this will affect the rivers. About two years ago, an epidemic broke out among livestock in the controversial areas.

That is still not all. Recently, in the occupied areas of Prokuplje, Lonjsko Polje, and east and west Slavonia, it has been fashionable to dump contagious wastes from the Belgrade VMA [Military Medical Academy] and military laboratories, in which infectious agents are studied. In fact, the Yugoslav army's biochemists and other scientists have been trying to discover a method by which contagious diseases like foot-and-mouth disease, equine flu, and pig and poultry plague, etc., could be spread as widely as possible.

All of this is happening with the permission of the governments of the republic of Srpska and the republic of Serbian Krajina. They let sick animals walk around, and secretly bury dead ones right next to the border that separates them from the Croatian Army. Consequently, the spread of these diseases on the territory of Croatia (and not just there) is far from being coincidental.

[Box, p 5]

There will also be difficulties (or already have been) because of slag from the Plomin I thermoelectric power plant, from which Croatian scientists wanted some time ago to extract uranium and prepare it or send it for processing to the Krsko nuclear power plant or for the Ruder Boskovic Institute's nuclear experiments. The slag, which appeared through the combustion of coal there, was separated and those pieces which were most radioactive were burned again in the old Rijeka thermoelectric power plant. The HEP [Croatian Electrical Industry] was praised in connection with this for "saving foreign exchange." Some of those who gave permission for this are in important positions today. The slag was then carried in open trucks to Split and dumped in an area owned by Jugovinil. Mountains of slag around Plomin are still being covered with soil. The consequences of this are frequent deformities among young livestock, while local women frequently miscarry or give birth to deformed children. It is no different in the occupied areas either, but the local authorities are not interested in this at all.

*** Roots, Outlook of Czech Nationalism Explored**
93CH0741A Prague NEDELNI LIDOVE NOVINY in
Czech 5 Jun 93 p II

[Interview with Prof. Jan Kren, of Charles University in Prague, by Jan Gogola Jr.; place and date not given: "The Czechs Are a Civil People"]

[Text] Czech historian Prof. Jan Kren has been studying the problem of the nation and nationalism for many years. We asked him to give us his views on the Czech nation and Czech nationalism.

[Gogola] The citizens of the Czech Republic [CR] have been watching the breakup of the CSFR with a kind of indifference. As if we did not care in what kind of state we are going to live....

[Kren] The Czechs' longing for an independent state was satisfied by Czechoslovakia; the Czechs perceived it as their own national state, which may have been resented by other nationalities. A considerable number of Czechs think of the CR as a continuation of Czechoslovakia, the possible renewal of which is, of course, a naive wish. Both successor states are working out their own problems, and they will not worry too much about the other one. Moreover, each one will attribute the losses resulting from the division to the other one, so that the chasm between the Czechs and the Slovaks will more likely widen.

[Gogola] Obviously, we are talking about an artificial state if there was no strong will to preserve it.

[Kren] Every nation was created by conscious effort. In that sense, the history of nations is artificial because it is created by people. The Austrian monarchy can be called artificial, but that configuration was a reality for four centuries, and, in its own way, it worked. If something is functional, it cannot be called artificial, at least not as far as history is concerned. Artificiality, in my view, is indicated when you see dysfunction, the inability to satisfy the needs of society. The minimum reason for a state to exist is respect for the state, even if some citizens do not identify with it. The Czechs had that kind of relationship during the final years toward Austria-Hungary, and so did the Slovaks toward the CSFR. It is difficult to determine the ratio between the "natural" and the "artificial" in the process of the nascence and functioning of a state. In 1918, the Austrians did not want Austria, and it was only after Hitler's rule that they discovered their "Austrian national identity" and even talked about the birth of an Austrian nation. Simply put, states and the attitudes toward them change.

Some of that applies also to the Czech lethargy that has accompanied the breakup. I do not believe that that is an entirely negative phenomenon. Although it does contain an element of resignation, in this case, thank goodness for it. In the somewhat apathetic parting with the Slovaks, despite all of the nationalistic outbursts—Very well, go, you will be the worse for it!—democratic respect

prevailed. The Czechs were in a situation similar to that of the Serbs, but they did not show a tendency to violate others. Isn't that a plus, after all?

[Gogola] Is there something like Czech national indifference?

[Kren] Indifference follows fulfillment. The Czechs are nationally saturated, maybe even too much. Not even the greatest Czech nationalists ever dreamed of such national homogeneity as we have today in the CR. At the same time, the Czech existence of the past 70 years has been one shock after another. That has resulted in disintegrative traits in the Czech national consciousness, one of which is the Moravian separatism.

[Gogola] Were those shocks the result more of external rather than internal influences?

[Kren] The basic framework within which events in small nations and states are played out is external.

[Gogola] If that is the case, and you spoke about the viability of states, shouldn't the founders of the between-the-wars states have taken into consideration the German and Russian expansiveness?

[Kren] A Central European federation was considered, but TGM [Tomas G. Masaryk] abandoned the idea toward the end of the war. There was not enough political will for its realization on the part of the new states, which wanted to enjoy their independence. The concept of Central Europe has never been rooted deeply enough in the conscience of those nations. One of their most distinct common tendencies is to pull away from each other, despite the similarity of their fates and structures.

[Gogola] You spoke about the situation in small nations. It seems to me that the Hungarians, the Finns, the Serbs, as well as the Poles have not gone through such self-doubt and even proved as much by acting resolutely.

[Kren] The feeling of uncertainty comes in times of failure. The GDR and the CSFR experienced the greatest decline of all of the former Soviet satellites. The antithesis of the so-called warlike and peaceable nations is rather problematic and is not merely a moral scale. Czech society evolved according to the civil principle; the decisive role was played by civic virtues, and warlike ones appeared rather ridiculous. In Yugoslav history, the warlike virtues inspired fabulous heroic sagas but also despicable butchery, which is no adornment to history—now or 50 years ago. I am glad that an event like that occurs only as an exception in Czech history. Our civility has its weaknesses but also its merits. Take some of our trials, which could be called the tests of civility. Czech society exhibits great restraint, patience, and endurance in these difficult times. What we considered a minus during the time of the Polish mass strikes, that flexible Czech endurance, is today becoming more of a plus. It is not without benefit to compare yourself to others, but a foreign yardstick must not be the only one.

[Gogola] You mentioned our civility. But how about us as a nation? Do we feel ourselves to be Czechs?

[Kren] Without a doubt. Of course, our character differs from the other, until recently agrarian, nations of Central and East Europe. The Czech nation is the first Slavic industrialized one. Nations of this type tend toward civility and reformism, among other things, also because of the concern that in revolutions or wars they have something to lose. It is easier for a simply organized society, for example an agrarian one, to rise and struggle. It does not have as much to lose. That is probably why the Bolshevik revolution took place in Russia and not in the industrialized countries. I often think that maybe we should have reacted to Munich in the "Serbian way," but I am immediately overcome by the Czech doubts—not only about whether that would have been possible, but also whether we are not thus blaming our fathers for our difficulties, and whether it would have brought us to where we would wish to be. Like most people, we find it hard to accept that we lack the characteristics we envy in our neighbors, and we are not conscious enough of those they envy in us.

Despite all the crises, and maybe precisely because of them, the Czechs have verified their ability to exist as a nation and as a state. And I see our self-doubts not only as self-flagellation, but also as one of the best Czech characteristics that protects us, not always successfully, from self-delusions. That, too, I think, is the result of the Czechs being, as Potocka puts it, a middle-class nation. The life-style of the Czech bourgeoisie was more middle-class, and the Czech working class was not a destructive mass of paupers but a class that lived in decent conditions, as did the farmers. Moreover, the Czech middle class was adaptable and disposed toward reforms. I consider its destruction by the communists the greatest disaster of modern Czech history. To renew or, in fact, to create a solid middle class is our key problem.

If there exists something like a Czech national character, the capacity for self-irony is definitely a part of it. German humor is rough, merciless, sarcastic. Czech humor is gentler, but maybe also a little detached.

[Gogola] Don't you think that is merely a generally held notion?

[Kren] It cannot be verified empirically, but that is often how foreigners view us. The political joke played a significant role in the fall of the regime. But now we are beginning to be serious, and that is serious.

I am not sure whether the Czechs are disposed toward self-reflection (I have my doubts about a national character), which sometimes, especially in intellectuals, turns into self-flagellation. Czech criticism tends to be the reverse of extreme conceit. Critical self-reflection just by itself—that is what "Podiveni" ["Astonished"] based their criticism on—leads one astray and easily turns into self-flagellation. Situational conditioning also plays a role. The ideas of "Podiveni" as well as those contained in *Pameti Vaclava Cerneho* (*The Memoirs of Vaclav*

Cerny) were formed in the 1970's. "Podiveni" projected the abhorrence of that era into the entire past.

[Gogola] To what extent was the Czech mentality you described influenced by the intervention of foreign powers?

[Kren] In that respect, I am an optimist. In Czech-German history, Goll's insightful observation holds true that a partial Germanization prevented a total one. The Czechs always managed to adapt the German influences and create something original. It was similar with sovietization. It seemed that communism destroyed the Czech entrepreneurial spirit and proficiency, but it does not appear to have succeeded totally. I believe that the CR will develop in a democratic way, and I also believe that the sleeping beast, Czech nationalism, will be tamed. Of course, nothing will be solved by swearing by the civic principle, by the notion that we can change a national state into a civil one. Those principles are, after all, compatible. Many nation-states are decent and democratic, such as, for example, Austria and the Netherlands. A nation-state does not have to be nationalistic; that depends on the character of the society. The national factor also contains positive aspects.

[Gogola] Which ones?

[Kren] National pride, for example, is an important motivation that transcends the self. We completely lack such motivation. The national factor must be worked on; it must be defined positively.

[Gogola] But a positive definition, if such a thing is at all possible, can easily turn into a negative one.

[Kren] Yes, it can. It must be made clear to people what nationalism can lead to. One of the instruments for "domesticating" nationalism is magnanimity toward minorities, even though there this instrument is not omnipotent because our small minority cannot be a threat to our Czech majority. But it is one of the ways to inculcate in society the feeling that intolerant behavior is unseemly. National pride can mean that we are a decent, outgoing nation, which does no harm. A nation is a vessel, and it depends what is put into it.

[Gogola] Your metaphor indicates, among other things, that someone, obviously intellectuals, should fill that vessel—as if the nation were not capable of doing so on its own.

[Kren] There is some truth in that. Every comparison is a little lame, but intellectuals are obliged to cultivate national consciousness.

[Gogola] But intellectuals have often shown themselves to be wrong.

[Kren] Yes, they were involved in both the fascist and the communist failures. But I worked for a long time as a laborer, and I know how much time a laborer has left or is in the mood to think about universal ideas. Among the

"people," there are not fewer smart or decent individuals, but the intelligentsia is more visible and thus has a greater obligation to cultivate the norms of decency and to be critical; that is in its job description. If the nation is something like a vessel, then all of us are preparing and partaking of its contents, and the intellectuals should provide the recipes that are either used or not used.

[Gogola] In one of your articles from 1987, you wrote that our nation's history is still present in our life....

[Kren] In 1987, Frantisek Graus was editor of a miscellany that conveyed the idea that we inherit the whole past and cannot just pick and choose from it. Historiography has little influence on that choice; rather, it is something on the order of a genetic bank. Society selects from it. If only society would go to that bank from time to time and not take from just any source, even illicit trade....

* Threat From Czech Populism Minimized

93CH0743A Prague LIDOVE NOVINY in Czech
11 Jun 93 p 16

[Commentary by Martin Weiss: "Consumptive Disease of Czech Populism"]

[Text] Danger of populism of the left, right, clerical, xenophobic, of a lustration witch hunt, of the ideologization of economic reform, of the Yugoslav scenario—with those words Adam Michnik recently addressed participants of several Prague discussions and seminars as well as TV viewers. What can one imagine under those bugaboos in the Czech context?

Not that populism is an unknown quantity in our country. It is making forays in several directions. Here it threatens with the destruction of agriculture, there with selling out the Republic to the Germans. But it remains insecure because until now it got no security from either public attendance at its street actions or a silent support in opinion polls. Our sole full-blooded populist, M. Sladek, already appears to have reached the limit of his influence. More people have no time for him or are not in the mood for him. Czech nationalism, too, although not lacking in tradition, is today incapable of becoming part of the mass culture and inspiring a sufficient number of fanatics. Lately, it was Rudolf Baranek, chairman of the Association of Entrepreneurs, who very blatantly assumed the nationalist mantle. But, in defense of his guild interests, on the next occasion he may well exchange it for something else—and receive equally weak response. In short, our populism is unable to consolidate itself.

Critics of the lustrations should finally look the truth in the eye and concede that there have been no witch hunts in this country. To assert otherwise is to slander the memory of the witches. Time, on the contrary, shows that the problem of collaboration with the secret police causes greater difficulties where it is being dodged, where

the will is lacking to bring the problem into the open and under the impersonal power of the law.

And further: If we admit that a Yugoslav situation can come to pass anytime and anywhere, we have not come closer to it by the division of Czechoslovakia; rather, we have successfully negotiated a very dangerous turn because the danger resides not in the number of states but in their instability. Destabilizing forces that live off deliberately vague claims and feelings, of grievance and painting pictures of the enemy, will definitely have it harder to operate in an independent Slovak Republic than in an unbalanced federation that could not be balanced.

Michnik's reference to the danger of ideologizing the economic reform deserves a special note. Yes, particularly at the start, economic reform was pushed with the help of ideologically oversimplified and irreconcilable rhetoric; in practice, then it was always (quite knowingly) more conciliatory and more inclined toward compromise. Only thanks to that can the opposition sometimes argue today that, in the end, the government is doing what the opposition long ago recommended and the government always turned down. But where are the victims of that supposedly dangerous ideologization?

The rhetoric of an aggressive economic liberalism has on the contrary done us an invaluable service: It has succeeded in crushing all illusions about third roads. If today someone wants to get established in politics, he has no choice but to affirm at least verbally that he supports the civic principle, stands more or less for the market and is not entirely against foreign capital.

Populism arises naturally and not necessarily because someone calls it into being. It is up to the liberal elites to confront it with a comprehensible, attractive alternative and to manage to "sell" it. Not populism by itself but, rather, failure in that task represents the greatest post-communist danger. In that test, the Czech Republic has thus far done rather well. So it is little wonder that, in Prague, Adam Michnik's warnings sound a little exaggerated.

* History of Allegedly Ceded Villages Explained

93CH0743B Prague LIDOVE NOVINY in Czech
10 Jun 93 p 6

[Statement by Jaroslav Valenta, of the Institute of History, Czech Academy of Sciences: "Poland Never Ceded Villages to Czech Lands"]

[Text] In an article entitled "How 'Meciar's' Villages Live in Poland" (LIDOVE NOVINY, 28 May), the authors present sort of an excerpt from a more detailed explanation of the historical background prepared about a month ago by M. Borak.

I have great respect for colleague Borak. He is extremely well versed in the problem, but, in his article, he used a somewhat infelicitous formulation that, in the summer

of 1920, a conference of ambassadors "awarded part of the Tesin area to Czechoslovakia, while Poland gained from the disputed territory in Slovakia" 12 + 14 villages at Orava and Spis.

But, in their abridged version, the authors of the LIDOVE NOVINY report presented the matter so that in the summer of 1920 "part of the Tesin area was awarded to Czechoslovakia, while Poland was compensated" with those 14 + 14 villages. That is an essential and incorrect change in the meaning that is not expressed in Borak's text and that, in total contrast with historical facts, interprets the loss of those 26 villages as compensation for the "award" of a part of the Tesin area to the CSR. Although they do not state that expressly, it is evident that the average reader will understand it in that sense. By doing so, the authors, apparently without noticing it, led astray to the level of indemnity demands based on the erroneous assumption of some kind of compensation in 1920 from which is derived a claim for indemnity in 1993.

I repeat again quite categorically: Never, neither in 1920 nor later, did there arise a situation in which, within the framework of Czechoslovakia, the Czech lands gained territory in compensation for which Poland gained villages in the north of Slovakia.

It is that, in 1920, Poland did not cede any territory but, rather, the contrary: From the historical territories of both Tesin Silesia and the Orava and Spis counties of the former Hungary, the conference of ambassadors on 28 July 1920 decided by arbitration to award certain parts to Poland, which had already claimed them (in a much larger size) in the fall of 1918.

The arbitrage decision of 28 July 1920 in the territorial dispute was, of necessity, a compromise—that is, it could not fully satisfy only one of the sides to the dispute. In practical terms, it means that it was necessary to satisfy the claimant (meaning Poland) at least partially in all three disputed territories. Those are the indisputable facts, which are not subject to debate.

*** Comprehensive Report on State of Environment**
93CH0746A Prague RESPEKT in Czech 20 Jun 93 p 6

[Article by Hana Capova: "Report on the State of the Environment in Bohemia and Moravia"]

[Text] In April of this year, the minister of the environment, Frantisek Benda, submitted to the government the first comprehensive "Report on the State of the Environment in the Czech Republic [CR]." Over 50 pages of expert text, divided into 13 chapters and supplemented by dozens of tables and graphs, try to map the present state and analyze the trends of the environment in the CR.

The government studied the report in the middle of May. The ministers finally "took note" of Benda's material

and decided that the Ministry of the Environment (MZP) should draft a state environmental policy by the end of the year.

The first chapter of the report is the part that deals with air. During the period 1989-91, emissions of sulfur dioxide fell by 11 percent, and nitrogen oxide by 20 percent in the CR. According to the report, the downward trend is the result of a decrease in the use of solid fuels and heavy heating oils. With the exception of sulfur dioxide emissions, where the north Bohemian region takes first place, Prague takes first place in regard to all other harmful substances (nitrogen oxide, hydrocarbons, carbon monoxide, and solid substances). (Apart from sulfur dioxide, all other measurements in Prague follow a rising trend.) The report identifies the large factories and power plants as the main source of pollution, which cause 80 percent of the total emissions in the CR. Traffic and local heating with brown coal is the main cause of pollution of the air in Prague.

According to RNDr. [Dr of Natural Sciences] Karl Weiss, the director of the Ministry of the Environment Department of Air Protection, the main reason for the drop in the average values of emissions is the fact that we have had relatively mild winters since 1985. Therefore, less heating has been needed, and "there are more favorable conditions for dispersing harmful substances." According to Dr. Weiss, the fact that the national economy has suffered a mild breakdown during the past three years, which meant a drop in energy use, was also reflected in the relatively positive results of the measurements.

The conclusion of the Chapter "Air" includes the following statement: With the return to long-term climatic conditions, an increase in air pollution is to be expected primarily in large towns with an accumulation of local furnaces and heavy traffic. The smog episode at the beginning of this year represents a situation that one must expect to occur at least once or twice during a normal year for several years to come.

The opportunity for improvement, according to the report, will come in 1998, when emission limits will go into effect by law. At the present time, the Czech Environmental Inspectorate prescribes for polluters limits that can be attained without sulfur-removing equipment. "We have to give industry a chance," Weiss explains. "It is not our task to ruin the national economy. That is why the introduction of emission limits was put off until 1998." (The introduction of emission limits for automobiles is under the jurisdiction of the Ministry of Transport.)

The second chapter of the report deals with water pollution and starts with the sentence: From the aspect of precipitation averages, 1992 was the fourth consecutive year with below-average precipitation. The situation is worst in Moravia, where there is a shortfall of 600 mm in precipitation over the past five years; that is about the equivalent of its not raining for a year.

The groundwaters in valleys with large rivers and in areas that are most intensively used by agriculture and industry suffer from the worst pollution (pollution by nitrates, heavy metals, organic substances). The groundwaters in the main water-producing areas (the north Bohemian basin, the south Bohemian basin, and the Moravian dales) have substantially higher quality. According to the director of the MZP Department of Water Protection, Ladislav Biza, the pollution of groundwater has nevertheless decreased during the past years. "During the past three years, significantly less fertilizer has been used. But, at the same time, it has also rained less. Apparently the nitrates remain suspended in the soil above groundwater level because they are not flushed out."

The quality of the surface waters, according to the report, has neither become significantly worse during the past seven years (as a result of several dry years) nor improved (due to the continuing pollution of rivers by industry). Rivers downstream of large towns and industrial establishments, which do not sufficiently clean the wastewater or do not clean it at all (for example, all of the large towns and enterprises along the Elbe River), have the worst quality.

However, according to L. Biza, there is also something positive. The method of measuring the pollution of rivers has changed. "In the past, the quality of the water was measured downstream of the discharge point of the wastewater. Therefore, essentially, everything could be discharged into a large waterway and nothing into a small stream. Now, though the size of the waterway is taken into consideration, it is primarily the effluent being discharged into the river that is measured."

According to the report, the ministry's priority, mainly for international reasons, is to clean up the Elbe River. By the end of 1993, about 15 of the planned 40 wastewater treatment plants are to have been constructed there. However, the most important wastewater treatment plants—in Prague, Kolin, and Pilsen—have not yet even been designed on paper.

Comprehensive data on the production of wastes, their composition, the methods of disposing of them, and the facilities to eliminate them have so far not been obtained, the report states in the chapter dealing with wastes. Since 1992, the producers of wastes and the okreses have been mandated to draft waste management programs, which should supply those data. The programs drafted to date indicate that there are almost 8,000 garbage dumps. Of those, 85 percent are illegal, or sufficient information has not been obtained about them. Six percent of the dump sites have protective sealing barriers to prevent harmful substances from escaping into the environment.

According to RNDr. Vaclav Morcha, of the MZP Department of Wastes, however, the real number of dumps is probably twice as high. "No one knows how many there really are. In some okreses there are 80, in

others 300 or even 500. And I am not including garbage dumps that are merely 20 times 20 meters in size, where you will find several mattresses and one sofa." No detailed data on the state of the dumps are available, either. Even in those cases where the location and quantity of the dumped garbage are known, one often does not know what has been dumped at the site. "One cannot tell at first glance which dump site can continue to be operated and which is hazardous," Dr. Morcha explains. "The geologic and hydrologic conditions must be determined, and samples of the dumped wastes must be evaluated in a laboratory. Therefore, starting next year, we at least want to begin making inventories of the dump sites. But that depends on whether we get some money."

The MZP report also points out that there has been a drop in "repurchasing and processing" wastes. Only 10 percent of paper, 50 percent of iron, less than 20 percent of textiles, and 40 percent of electric accumulators are recycled at this time in the CR. There should be an improvement during the next two to three years, when the Ministry expects "an increase in entrepreneurial activities" by companies specialized in recycling.

Among other data mentioned in the report, it is worth mentioning the fact that the ecological balance has been disrupted in the CR "on approximately two-thirds of its territory." More than half the plant species are endangered, and 57 percent of the species of vertebrates. During the past three years, the area of forests that have been destroyed has also increased by 3 percent. (At this time, 59 percent have been permanently damaged.)

The report also points out that the amount of money allotted from the state budget in 1993 for environmental projects has decreased by 2.6 billion korunas [Kc] as compared to last year (Kc8 billion, 520 million have been allotted from the budget this year; that constitutes approximately 2.5 percent of the state budget). That trend is expected to continue. According to the MZP, environmental projects should be financed from resources other than the state budget—for instance, from the environmental fund, which is primarily made up of fines paid by individual polluters. However, the report simultaneously states that the fines are low, and, therefore, it is often more advantageous to pay them than to construct facilities to trap harmful substances.

Moreover, it is common practice for an enterprise not to pay the imposed fine because it does not have the money to do so. "Last year I calculated the fines imposed on Poldovka Kladno for polluting the air," says Petr Paukert, of the Czech Environmental Inspectorate. "I calculated that it owed 14 million, but it said it owed only 12. Then, without protest, it agreed to pay 14. When I asked it why it had given up so easily, I was told rather ingenuously: 'We do not really care; we will pay neither 12 nor 14 because we simply do not have the money.' This year it only has to 'not pay' 7 million because it down on production."

Independent ecological initiatives have not yet made a statement about the Ministry report. The Czech Environmental Protection Association told us that it will "adopt a collective position on 18 June."

*** Potential of Laser Weapons Assessed**

93CH0744A Prague RESPEKT in Czech 20 Jun 93
p 21

[Article by Pavel Novak, contributor to T93: "Laser Weapons for the 21st Century"]

[Text] The myth of high-energy laser weapons capable of wiping out the missiles and satellites of their opponents cost the Americans and the Soviets each billions of dollars lavished on research. It was seen in its true light with the end of the cold war. A new generation of much more subtle and insidious laser weapons is, however, pointed at the battlefield of the future. They have enough energy that they can affect the most sensitive targets—optical-electronic sensors and, primarily, human vision.

The U.S. Army developed "antisensor" lasers over 10 years. During that time, the original bulky and clumsy versions gradually matured; today, a single soldier can carry the compact equipment. At the beginning of last year, the Pentagon called those weapons of great promise in its study "STAR 21: Strategic Technology for the Army in the 21st Century." Without saying exactly how, it said that they can be employed against people.

Among the experts today, there exists a real fear that they are providing the military with a possibility it will not be able to resist. "The most threatening weapons for the future battlefield can be small, cheap, and mass produced laser weapons, whose output will be sufficient for mass blinding of the enemy infantry," state General Major Bengt Anderberg, a member of the General Staff of the Swedish Armed Forces, and Myron L. Wolbarsht, a professor of ophthalmology at Duke University in North Carolina, in their book *Laser Weapons: At the Dawn of a New Military Era*. There remains only the answer to the question of how to cause "mass" blinding of the soldiers when the laser in principle works with a narrow beam and a soldier would therefore have to look directly into its beam.

The first laser (from Light Amplification by Stimulated Emission of Radiation) was built by the Americans in 1960. (The Czechoslovaks had it two years later.) The Americans developed the first ruby laser range finder in 1964.

Military laser range finders that are directed at "noncooperating" targets (that is, targets that move at changing speeds and have a low surface reflectivity) do not demand great precision, and a range within meters is sufficient. The principle is the same as that of the very precise geodetic measurements; the time that elapses between the transmission of a brief, high-energy pulse and its return after reflecting off the target is measured.

During the war in Vietnam, the Americans introduced another application of lasers to the battlefield, when they were used to guide missiles and bombs to their targets. A laser illuminator sends out a series of coded pulses and thus designates the target to which the guidance sensors of the missile direct it. As reporting from the war in the Persian Gulf confirmed, both types of equipment are among the standard weapons inventory of many armies. Their pulses do not, however, have enough energy for them to cause any kind of injury—with one exception, an injury to the eye.

A laser concentrates a lot of energy into a narrow beam that disperses with increasing distance. A typical laser range finder forms a spot of light of roughly half a meter at a distance of 1 kilometer. It can cause permanent damage out to several kilometers, even after being reflected. The greatest risk of damage to eyesight is thus for soldiers close to the source of light radiation and those who wear glasses or are using equipment that concentrates light (for example, field glasses or periscopes).

A threat to one's eyesight is not substantial in a war where the soldiers are trying to kill each other, but it means serious difficulties during training exercises. The armies therefore use "safe for the eyes" infrared lasers, which operate on wave lengths over 1.5 micrometers. (This raises the absorptive capabilities for the cornea of the eye, which scatters the laser light and absorbs it before it hits the retina.)

There are indeed reported cases of soldiers being blinded by laser weapons, but, generally, that has not been successfully demonstrated. Supposedly, the Chinese were hit with a large Soviet laser during their war with Vietnam, at the end of the 1970's, and there were supposedly isolated occurrences of blinding with Soviet lasers in Afghanistan, while something similar was supposed to have been tried by the Iraqis in the fight against the Iranians. It is, however, entirely possible that the soldiers confused searchlights or flashlights with lasers, or a soldier could have been hit, either accidentally or on purpose, by a laser range finder or illuminator.

At the end of the 1980's, the United States repeatedly accused the USSR of deliberately aiming lasers placed on board their ships at U.S. military aircraft. In the best supported case from 1987, the copilot was blinded for 10 minutes. The Pentagon has kept the details secret, but, because it obviously was not a matter of permanent damage to his eyesight, one could assume that the event took place at night, when a bright light can cause the loss of night vision. Such incidents led the Soviet Union and the United States to sign a ban in 1989 on the use of low-energy lasers in peacetime.

While high-energy lasers designed to destroy ballistic missiles or satellites hardly made it into the stage of laboratory tests because of their unwieldy nature, lasers with substantially lower power outputs can today knock

out optical-electronic sensors serving to gather information, and, thus, the entire weapon as well. The vulnerability of optical electronics is a result of the fact that they collect, concentrate, and amplify light. And it is the laser that can concentrate light over a great distance at a low output, which although not enough to cause physical damage can blind the sensor and thus knock it out, similar to the way the headlights of an oncoming car blind a driver without harming his eyesight. But that always requires precise aiming.

It is still quite a step from such considerations to employing lasers directly against the enemy's eyesight. The first reports on the development of lasers for attacking personnel appeared at the beginning of 1990 in Great Britain. According to them, the radar center at Malvern and the naval research institute at Portsmouth have been working on a shipborne laser-blinding device for 10 years. The British weapon was apparently employed in the Falkland Islands war; supposedly, it has on its conscience the destruction of three aircraft that were attacking the British ships. The pilots were temporarily blinded. The Americans began the development of antisensor lasers at the beginning of the 1980's, with the C-CLAW (for close warfare laser attack weapon) project. It was supposed to produce a 400-kilogram unit that could be mounted on tanks and helicopters. The Pentagon project was dropped in 1983, when the prototype reached a weight of 1,400 kilograms.

In 1982, the U.S. Army decided to spend \$250 million for the development of the antisensor laser Stingray for tanks and helicopters. It sent two of those systems to the Middle East in 1991, but, according to statements by the military spokesman, the Army "was not able to employ them according to plan"; the war in the Persian Gulf simply ended sooner than was expected. The Army is supposed to test another two Stingray systems before it decides to spend additional resources for the development of combat versions for the end of the 1990's.

A defense against the effect of lasers can be even tragically simple. As some military analysts seriously propose, it supposedly would be enough to supply the soldiers with a patch over one eye so that at least one would survive a laser attack. Of course, it is not known what the opinion of the soldiers themselves is about that ingenious strategy.

Eyesight can be effectively protected by safety glasses whose filters do not allow laser light of a specific wave length through. Of course, the glasses also suppress the region of the spectrum close to that wave length, so it can turn out that a person ceases to see certain colors. The closer the laser's light is to the visible portion of the spectrum, the less the filtering protects sight. The greatest threat is thus presented by just those lasers with visible light, and, by far, the most dangerous would be those that could be operated on several wave lengths.

The first organization that has concerned itself with the consequences of the use of laser weapons against eyesight

is the International Committee of the Red Cross. At a meeting held in June 1989, the experts reached the conclusion that, although it is necessary that many studies be made of the legal and medical aspects of employing those weapons, their effective control is the first order of business. The difficulty lies in the fact that the term "control" is vague, and "effective control" causes difficulties as well in much simpler cases than is the case with an invisible millimeterwide beam of light in which the energy of a smaller electric power plant is concentrated.

One can only guess what the employment of laser weapons on the battlefield would do. Laser beams would obviously not be used at distances greater than 1 kilometer because they would just scatter harmlessly. In a close-range attack, a soldier would not notice any optical threat, so, at less than 20 meters, lasers would not act as a means of deterrence. That then leaves only the middle distance, and there the lasers could act as a terrorist weapon that breaks down morale and keeps the infantry close to the ground.

A massive injury to the eye caused by a systematic laser attack would obviously cause a very complex psychological and medical situation. The injury could only be treated by a qualified eye surgeon. In such a case, speed is essential, and the patient would have to undergo an operation no later than two or three days after the injury. That would have to be in a superbly equipped hospital, with highly qualified personnel. It is worth noting that there are only a few such hospitals in the world and that they are in the most industrialized countries. The majority of the soldiers would thus obviously not receive the required medical care.

[Box, p 21]

Light Amplification by Stimulated Emission of Radiation (LASER) equipment is an instrument that generates or amplifies a narrow beam of light at a single point. One can concentrate an enormous instantaneous output (even several megawatts, the power output of a small electric power plant) into those brief flashes of a quantum generator of the light. The laser beam can be utilized for cutting or drilling extremely hard materials such as diamonds. In engineering, it serves for welding and connecting microelectronic components, as well as for cutting and shaping metals or heat-processing tools of rapid-cutting steel. The laser is also used for measuring in optics, geodesy, geophysics, and astronomy; it allows us, for example, to measure the distance of satellites with a precision within centimeters and to study changes in the distances between continents. Ophthalmologists use lasers in their operations, and in surgery they are replacing cutting tools. In telecommunications technology, they provide communications that cannot be intercepted and listened to, while we cannot get along without them in chemical spectroscopy, and in biology and biophysics they help in the study of the interaction of the environment with living materials.

*** Recent Developments in Foreign Investment Outlined**

93CH0745A Prague RESPEKT in Czech 20 Jun 93
pp 8-9

[Article by Jan Machacek and Ondrej Vojtech: "Foreign Capital in the Czech Republic"]

[Text] In this year's evaluation conducted by Moody's Investor Service (the most important rating firm in the world, whose tables are a frequent guideline for investors), the Czech Republic [CR] moved, for the first time, from the so-called speculative category to the so-called investment-grade category—in other words, into the category in which Moody's already recommends investments be made. In the no less important table of the British journal INSTITUTIONAL INVESTOR, which was published two weeks ago, we found ourselves in first place among the former communist countries. In the competition with the other postcommunist countries, we can primarily brag about our relative political stability, the low measure of inflation, our relatively experienced and inexpensive but inventive manpower, our hitherto moderate trade unions, and the generally visible will to really transform our economy and primarily develop privatization.

Although it is a fact that the majority of investors perceive the division of Czechoslovakia as a step in the direction to political and economic stability of the CR, on the other hand, the market on which the investors were originally counting is gradually shrinking. The advantage of low wages, which represent even a lower demand in terms of buying power, can be perceived in a similarly relative manner. But let us now consider the unequivocal obstacles that lie in the way of foreign capital.

What Is It That a Foreign Investor Must "Push Aside and Bite Through"?

With whom to deal? And who actually makes the decisions? The method of decisionmaking at four to five levels is, for the most part, far too complicated for foreign investors and lacks clarity. They must deal with management, the founding ministry, the Ministry for Privatization, the Fund for National Property. In many instances, decisions are made by an interindustry commission or by the entire government, and it is also necessary to figure on the position taken by the ministry in the case of economic competition. For the most part, investors wait a long time; in the meantime, the faces at ministries and in enterprise managements tend to change.

Excessive waiting time. Those interested in making investments wait far too long for the most part before someone clearly rejects the idea. Failure to meet deadlines is a completely regular event. Many investors then consider the fact that they are recommended at a certain level as future partners for a specific enterprise but the

government or the enterprise does not stop negotiating with competitors to be a totally unfair game.

Ongoing changes in laws. Although the fundamental privatization laws remain without fundamental changes, a whole lot of other laws are being changed (laws on insurance and taxes, antimonopoly laws, contemplated changes in restitution proceedings, and so forth).

Infrastructure, telephones, fax. For the most part, investors know that the status of networks and services in all postcommunist countries is dreadfully neglected. Nevertheless, they are, for the most part, shocked and, as a general rule, list those difficulties in first place.

Valorization. To determine the actual value of an enterprise is extremely difficult, even for specialists from the West, who do not always know how to bring their methods to bear under our conditions.

The banking industry. Although the level of banking services is gradually improving, the level to which Western businessmen are accustomed is miles away.

Environmental obligations. Many enterprises have mammoth obligations in terms of the environment, and the question of who will pay is not resolved in countless cases.

Taxes. The overall level of taxation continues to be very high. Moreover, some investors expect tax relief or tax forgiveness in connection with increased protection of the market and are not meeting with any response.

Management and manpower. For the most part, investors must provide expensive training for management and completely change the structure that directs the enterprise. The same holds true with respect to the relatively capable and productive manpower pool. Thanks to surviving overemployment, manpower is simply not available.

Mutual distrust. For the most part, the foreign partner would like to purchase at least 51 percent of the enterprise; our side frequently offers only 49 percent.

Cultural discrepancies. Many investors enter our conditions in a shrill and straight-line manner and can make an arrogant impression. However, the other side can acquire the same impression: For many investors, our officials and managers are ill-bred, uneducated, and unreliable. Understandably, there are even difficulties involving the language barrier.

A shortage of information. In comparison with, say, Hungary, the CR has neglected active advertising abroad. The Czechinvest Agency did not come into being until the end of last year. Contrary to expectations, it is unfortunately not a semicommercial organization but merely a contributory organization subordinated to the Ministry of Industry. Its employees are thus not paid exclusively for the results of their work, and, moreover, the agency lacks the necessary representation abroad.

The U.S. K Mart firm owns the second-largest network of department stores in the world (2,412 stores), with a total turnover of \$38 billion per year. In Czechoslovakia, it has purchased 13 department stores (seven in Slovakia and six in the CR), including the Maj Department Store in Prague. In 1993, total investments will amount to \$120 million, and K Mart will thus become the sixth-largest foreign investor in our country. According to Don MacNeill, the director of the European section of K Mart, the firm did not decide to invest outside of the United States until 1991. At first, it wanted to invest in West Europe, but it soon estimated that, given the tough competition there, it would be difficult to purchase an entire network of department stores. K Mart reportedly decided on Czechoslovakia because the method of privatization suited it—the opportunity to present privatization projects together with enterprise management. In Hungary, privatization was accomplished in a completely different manner, and Poland could not decide on privatization. “We had no idea, of course, that Czechoslovakia would disintegrate. Until the last moment, everyone was assuring us of the exact opposite. The same was true of the currency union and the customs union, which is now seriously threatened. Now, that is an extremely complicated situation for us. If we had figured on something like that, we would obviously also have invested, but our strategy would have been quite different,” says Mr. MacNeill. According to him, the tax burden in Czechoslovakia is high (this year, K Mart will pay more taxes than it did last year), and the fact that K Mart does not enjoy any tax forgiveness does not bother him too much: “The conditions are equal for everyone, and we must simply be competitive. No investor will come anywhere for the sake of tax forgiveness. That tax forgiveness is only good for a few years anyway and could be only a cosmetic improvement. Nevertheless, if we had not come to Slovakia until today, tax forgiveness would have applied to us, so that bothers us a bit.”

K Mart considers the low wages as being of no advantage because they merely represent lower demand. Moreover, it is said that productivity is extremely low.

Commenting on negotiations with the state officials, Mr. MacNeill says: “We would much rather deal with a single partner, but it is understandably difficult to give advice from the outside.” Last year, K Mart submitted a privatization project together with the management of the Kotva Department Store involving a department store of the same name. It was supposed to receive an answer last December but is still waiting. K Mart denies that it was striving to achieve a monopoly. The Kotva and Maj Department Stores together account for not quite 6 percent of the Prague market. The urgency of the problems with which the firm is dealing is seen by Mr. MacNeill as follows: 1) creating a new management structure for the enterprises; 2) finding capable managers; 3) resolving the difficulties with telephones and faxes. But Mr. MacNeill mentions difficulties involving domestic suppliers and manufacturers in fourth place:

“They are accustomed to delivering everything at once, every six months, in quantities that suit only them. And we are not speaking of quality at that. They are completely incapable of reacting to a situation on the market and absolutely do not care that their goods do not happen to be available at a given time. The situation is improving at a catastrophically slow pace.”

One of the conditions for the sale of the Maj Department Store was the promise that K Mart would make possible the sale of Czech goods in its U.S. network of stores. At present, for example, it sells Czech-made pocket knives, glass, and kitchenware. Czech-manufactured Christmas decorations were highly successful in the United States. Currently, the firm is investing considerable resources in the training of managers and employees and is gradually restructuring and modernizing sales floors: “The most important thing of all is to see to it that lines are eliminated. On those floors of the Maj Department Store where we have undertaken modernization, that has already succeeded,” says Mr. MacNeill.

Unilever is a multinational (originally British-Dutch) corporation that is among the largest in the world in terms of sales volume. It manufactures a broad assortment of goods, ranging from laundry powders, toothpaste, and soaps through margarine and dairy products. Unilever has manufacturing facilities in 70 countries of the world, and in Bohemia it has purchased the Povltava Fats Plant at Nelahozevce (it produces soap and Hera brand and Rama brand plant fats), and the Pragolaktos Plant custom-produces the successful Algida brand of ice cream for Unilever. Mr. Tjeerd F. Boven, the director of the marketing department, comments on the situation with professional calm and optimism: “We are interested in legislation. That means primarily whether fundamental legislation that is typical for a market economy exists: protection of private ownership and the free transfer of capital. For Unilever, it is typical that we are actually interested in only the consumer. We must adapt to him at any cost. The situation in which we would complain that something is difficult to sell does not exist. We must instantly find what the consumer wishes. If he wants a blue carrot, he should have it.” Similarly, Mr. Boven comments on the division of Czechoslovakia: “Everything turns out to be more complicated. In both countries legislation is beginning to differ, and in Bratislava we had to establish a branch, but, in the end, we are concerned only about the consumer. The consumer in Bratislava is different from the consumer in Ostrava, and that consumer is again different from the consumer in southern Bohemia or Prague. And we had to take that into account in one way or another.” Unilever makes a generally positive evaluation of our method of privatization: “Competition always exists and is everywhere. If we are buying a factory in Denmark, we must agree on a price. In public competition involving the direct sale of the Pragolaktos firm, the dairy at Slany won, and we failed. We considered that a fact, and we did not attack or assault anyone.” (The dairy at Slany did not deposit

the required sum of money, and the Fund for National Property is now again negotiating with Unilever—editorial comment.)

The Unilever firm stands out for the fact that, everywhere in the world, it attempts to preserve local brands or invents local names for products that are being sold in other countries as well. A priority is placed on the product for the local consumer, but the product lives up to the world standard. For example, you will not find Algida ice cream abroad. Similarly, the Unilever Corporation, as a matter of principle, does not change the original names of factories and enterprises it owns. In all 70 countries of the world where Unilever is in business, only local citizens are active in the management of the enterprise. "It does not work that way from the very beginning. It can take five to 10 years, but by then our Czech branch will be managed by only Czechs. Not a single foreigner will remain here. A professional manager of local origin is irreplaceable. Even now, personnel directors and marketing directors are Czechs," says Mr. Boven. At the present time, the firm is sending Czech managers to attend seminars abroad. In the future, however, they will also have to serve abroad for a number of years. Several years of detached service abroad is a condition for becoming a top manager of the firm. In Unilever enterprises, the growth of wages must not, as a matter of principle, outstrip productivity. Regarding Czech wages, Mr. Boven says: "That is simple. We have Czech wages, Czech expenses, Czech prices. Although the purchasing power is lower, so are the expenses for what turns out to be a quality ice cream, which is then more available."

The overwhelming majority of foreign investments thus far are German. According to some specialists, the Germans will be investing less as a result of their own serious recession; other experts claim, however, that the high wages paid in Germany will create another wave of interest in our enterprises. The Prague branch of the Bayerische Vereinsbank AG provides service and consultation for tens of German investors. According to its deputy director, Karl Kratin, geographic location is important to Germans: "Prague lies farther west than Vienna, and, from Munich, the distance to Prague is the same as the distance to Frankfurt. The majority of German investors also knows that the changes that are ongoing in this country cannot be accomplished from one day to the next. They are patient, and a completely secure environment is not one of their conditions. They most value the stable macroeconomic situation, capable technicians and workers, and the fact that it has finally been successful to unify the tax methodology and accounting regulations with those of the European Community." According to Mr. Kratin, the Bavarian bank is most worried by the fact that we did not have a standard bookkeeping and accounting industry in the past. "We cannot conduct the kind of credit business that is customary in West Europe. For us to be able to visualize the capability to pay off a loan, we must gain insight into the

development of enterprise profitability over the past two to three years. That will not be possible until the year 1995-96."

The Czechinvest Agency, which is supposed to entice foreign investors to our country, is financed one-sixth by the government and five-sixths by the PHARE [Economic Reconstruction Aid for Poland and Hungary] program of the European Community. According to the president of the agency, J.A. Havelka, it is acting for the time being as a marketing agency, which promotes the CR abroad and issues various information bulletins. The goal is to attempt to primarily acquire capital for the restructuring of industry. The need for investments for the next five to seven years is estimated at \$10 billion. In the future, the agency intends to promote specific investment opportunities, to put together partners, to "nurture" the development of joint ventures and new investments "from scratch," and to concentrate on medium-size and smaller enterprises. Mr. Havelka has the following opinion regarding tax forgiveness for foreign investors: "We are attempting to discourage those who want to get rich quickly. Tax preference tends to attract speculators the way flies are attracted to honey, but, after the advantages expire, they tend to move their capital elsewhere. That is why we are collecting detailed information on all investors, among other things." Nevertheless, Mr. Havelka highly values the activity of the Volkswagen Corporation (it was the only one that was granted tax forgiveness) for bringing life-giving investments to the Skoda Works at Mlada Boleslav, despite the fact that Volkswagen limited its grandiose plans. The Skoda Works is attracting even other investors. The manufacturer of automobile components is developing successfully. The British firm of Lucas, for example, is investing in the production of automobile brakes in northern Bohemia.

*** Dyba Expects Moderate GDP Growth in 1993**
*93CH0749B Prague HOSPODARSKE NOVINY in
Czech 15 Jun 93 p 2*

[Article by (dz): "According to K. Dyba, the Gross Domestic Product Will Grow Moderately This Year"]

[Text] *The government forecast that this year will see a moderate increase in the gross domestic product [GDP] is considered fulfillable by Karel Dyba, minister of economics. He stated that at yesterday's press conference in Prague, when he evaluated the economic developments in the Czech Republic [CR] for the first four months of this year.*

The minister bases his contention, for example, on the April recovery in the construction industry and on the forecasts of further growth in that sector. According to his statement, an increase is also beginning to be felt in services, where such factors are difficult to measure. The economic structure of the CR is changing fundamentally. Small and midsize enterprises are growing dynamically, which is said to be good for creating a competitive

environment. Low unemployment, the lowest in Europe, is showing up in problems involving work and wage discipline and in a shortage of qualified manpower. According to K. Dyba, rationalization measures connected with privatization and the impact of bankruptcies could contribute to solving that tense situation in the labor market.

The minister sees the risk of further development in the above-average growth of wages and the accompanying loss of competitiveness, in delaying privatization, and in the protectionist measures imposed by Western countries. There are also strong indications that the influx of tourists to the CR is slowing down as a reaction to dishonesty in services and rising criminality, particularly in Prague.

In answer to a question by HOSPODARSKE NOVINY as to how he estimates future development in industrial production, in which there has been a continuing decline even this year, K. Dyba responded that he would not dare make any major forecast. However, he emphasized that the government must create the conditions that would bring about the best results. As an example, he listed the measures contained in the proexport policies (particularly the financing of long-term export contracts). He said that the expansion of telecommunications is also important. "Believe it or not, I have the feeling that an improvement in telecommunications would be the best proexport provision," the minister said.

* Economist Views Inflation as Number-One Enemy

93CH0749C Prague EKONOM in Czech 23 Jun 93
pp 15-17

[Interview with Kamil Janacek, deputy minister of labor and social affairs, by Anna Cervenkova; place and date not given: "Inflation Is Public Enemy No. 1"]

[Text] *Statistical data on the development of wages, prices, and productivity during the first quarter resulted in a sharp debate regarding the suitability or the possibility of wage regulation. The consequences of its introduction are known and verified. The centrally planned economy made use of that instrument extensively. Wage regulation successfully prevents wage increases and the origin of inflationary pressures brought about by wage expansion, but it deforms market signals and disrupts the market environment. The question as to whether wage regulation is a danger that is greater than inflation is the object of our conversation with Eng. Kamil Janacek, candidate of sciences, deputy minister of labor and social affairs.*

[Cervenkova] On the basis of economic developments in the first quarter, has the condition for increasing payments for unemployment insurance been fulfilled?

[Janacek] During the first quarter of 1993, in comparison with the same period of 1992, wages rose throughout the national economy (including those at

agricultural cooperatives) by 27.8 percent, including an increase by 24.8 percent in the business sphere and an increase of 40 percent in the budgetary sphere. During the same period (the first quarter of 1993 compared with the first quarter of 1992), consumer prices rose by 21.7 percent. That means that, within the framework of the entire national economy, the growth of wages outstripped the growth of prices by 6.1 percentage points, but, in the business sphere, wages outstripped the growth in consumer prices by only 3.1 percentage points, so the condition for sanction-type increases in payments, contained in the General Agreement and Law No. 10/1992 Sb. [Collection of Laws] on the state budget, was not fulfilled.

[Cervenkova] Does that mean that the development of macroeconomic indicators is moving in the desired direction and there is no danger of inflation?

[Janacek] If we are speaking of the business sphere, the development of wages is substantially differentiated, and, in some directions, it is disturbing because, in a number of enterprises, it has no ties at all to the growth in efficiency. In numerous enterprises, there is a more rapid growth of wages, accompanied by stagnation or even declining productivity, when measured in terms of goods produced.

[Cervenkova] Measured in terms of production of goods leaving the enterprise or as production actually accomplished—that is, production that has been sold and paid for?

[Janacek] That involves the statistically followed production of goods leaving the enterprise. Slow growth, stagnation, or even a decline in productivity means that, in the first quarter of 1993 (again compared with the same period of last year), wage intensity per unit of production in industry rose by 11 percent. In the construction industry, where the hopeful beginning of last year did not continue, wages continued their growth in spite of that factor, and the wage intensity increased by more than one-fourth (more precisely, by 26 percent).

[Cervenkova] What do you consider to be the reason for that?

[Janacek] I primarily see the reason for that to be the fact that, for the time being, the competitive environment is inadequate and that some of the state enterprises still have to face privatization. There is talk of what is called the preprivatization agony. Growing wage intensity per unit of production is a warning signal indicating that, in contrast to 1991 and 1992, when inflation was being "unleashed" only by prices, wages began to provide the cost inflation impulse during the first quarter of this year. From the standpoint of preserving the macroeconomic balance, that is a highly dangerous situation.

[Cervenkova] More dangerous than the inflationary impulse provided by the price shock of January 1991?

[Janacek] Understandably so. The increase in consumer prices immediately following the price liberalization of January 1991 merely revealed the hidden inflation and demonstrated the imbalance that realistically existed in the market, but that, given the price regulation that was in effect until the end of 1990, did not show up. Thanks to the subsequent restrictive monetary and fiscal policy, that initial inflationary impulse could not be further repeated. From the standpoint of the macroeconomic balance, today's development is more dangerous and can in no event be considered a lightweight factor.

[Cervenkova] The trade unions claim that the current growth of wages is merely compensation for the decline in real wages dating back to 1991—dating back to the beginning of the transformation.

[Janacek] The price developments of 1991 led to a drop in real wages of approximately 24 percent; in 1992, real wages rose by 9.7 percent. The calm wage development of 1992 was the result of three circumstances: primarily, the action of wage regulation; next came a general moderation of wage demands, and, finally, there was the stabilizing influence of relatively low inflation (11 percent). That can lead to the first conclusion: The prerequisite for any kind of growth in real wages is holding inflation under control. That is why the economic policy of the government, much the same as that of the central bank, places such emphasis on a sensible and considered monetary policy.

[Cervenkova] The stability of monetary developments in 1992 was, *inter alia*, also given by the moderation of wage demands. Wasn't that moderation a result of the fact that last year there were still remainders of the post-November revolutionary enthusiasm at work?

[Janacek] I do not think so. Emotions have no place in economics.

[Cervenkova] What do you see as the principal danger in the current wage demands?

[Janacek] People who make more and more wage demands and managers who go along with them fail to realize that the short-term positive effect of increasing nominal wages in their enterprise or sector will be swallowed up by the negative effect of heightened inflation, which impacts on everyone. Moreover, if wages grow more rapidly than productivity, and if wage intensity per unit of production thus increases, the Czech economy will stand to lose the only more significant comparative advantage it has hitherto had over its principal competitors. That means that the short-term advantage, acquired as a result of the intransigence of some groups of employees, will result in damage suffered by all in the medium-term time frame.

[Cervenkova] Does the comparative advantage of relatively low wages also apply in comparison with the other postcommunist countries?

[Janacek] So far, yes. According to analyses conducted by the PlanEcon Company, the level of wages in Poland is 15 to 20 percent higher, and that in Hungary 25 percent higher than in this country, with productivity in those countries being slightly lower than in this country. As a result, the Czech economy has lower wage costs per unit of production and can offer goods at relatively cheaper prices.

[Cervenkova] So it was not only the existing rate of exchange of the koruna but, primarily, the comparative advantage of low wage costs that helped us orient our exports toward demanding Western markets?

[Janacek] I am totally convinced of that. Just consider that, in the first two years of the transformation, the growth of exports to countries of the European Community amounted to 20 percent per year, which is a totally unprecedented and unrepeatable pace, and mere devaluation could not have supported such growth.

But let us return to the relationship between the growth of wages and employment. A warning example in that direction are conditions in the former GDR—or, if you will, in the so-called new federal lands. Although productivity there amounts to a mere 45 percent of the level of the old federal lands, wages have already climbed to 65-70 percent. Jobs are being eliminated. Even entire enterprises are being eliminated, and unemployment is growing. It is generally true that, if the growth of wages is excessive, if it is more rapid than the economy can tolerate at a given time, it signifies that preference is being given to the employed as opposed to the unemployed. In such a situation, enterprises not only do not create new jobs but also make efforts to save wage funds by laying off people. Whether the trade unions realize that or not, their excessive demands tend to impact the very highest at-risk groups in the population: fresh graduates from schools without experience, people with less education, and people who are less adaptable, invalids.... Those people, for the most part, are not in the trade unions, but, if they fall into the social safety net, it is the state that must help them. That assistance is drawn from the money paid by all taxpayers.

Moreover, double-digit inflation leads to lowering the purchasing power of the wages paid in the budgetary sphere and to lowering all social income (retirement income and social-support payments), which must be repeatedly valorized with unpleasant consequences to the state budget.

[Cervenkova] Some economists defend the view that mild or rather controlled inflation represents an essential condition for the rectification of distorted wage relationships and can, moreover, even act as an investment stimulus.

[Janacek] High inflation in an economy means that preference is given to the short term over the long term, and such a view does not promote investment but, rather, impedes it. The theory of controlled inflation, which was highly popular in the market economies in the

1960's, did not prove out and resulted in more damage than utility. The 1970's demonstrated that no country proved capable of maintaining low inflation. As soon as it rose to the double-digit level, it became downright destructive to the rationality of long-term decisionmaking.

In recent years, theory and economic policy in market economy countries rarely agree on the view that one of the best means of assuring long-term prosperity of a market economy is the suppression of inflation to near-zero values. The mainstream of economic thinking today places great emphasis on lowering inflation generally and particularly upon bringing the measures of inflation in individual countries close together. From the standpoint of economic integration, for which we are striving so valiantly, the bringing in line of our monetary policy with developments taking place in the countries of our trading partners is completely essential. Even for that reason, monetary stability must remain the fundamental priority of our economic policy. In that direction, we simply have no choice. The greatest task for our present economic policy is not to maintain inflation at a certain level but to lower it.

[Cervenkova] What do you think of the theory of multipliers being promoted by some of our opposition politicians?

[Janacek] The application of the Keynesian theory to an economy that is transforming itself is highly misleading and deceptive. Empirical studies in a number of market economies have shown that moderate wage demands facilitated moderate price growth and that the relative price stability then had a positive influence on investment decisionmaking. Given double-digit inflation, the multiplier is ineffective; it will consume itself. The verification of any kind of theoretical design—and the multiplier is nothing else—requires precise and minute econometric analysis, and, for the time being, our neo-Keynesians have not presented it. They could not do so anyway because the relevant statistical data are not available.

[Cervenkova] Even you are skeptical about the ability of our statistics to tell the tale?

[Janacek] Not even our statistical industry has been able to avoid transformation; it is changing from obligatory reporting and exhausting investigations to selective investigations. There also exists a second economy—a black economy, a gray economy, a shadow economy, call it what you will—that is not statistically captured but that exerts an influence on the decisionmaking of economic entities. The fact that the reaction to the price shock at the beginning of 1991 was generally calm cannot be ascribed so much to prerevolutionary enthusiasm as to the fact that, as a consequence of the existence of that gray economy, the actual decline in real income was 1-3 percentage points lower than the decline that was statistically reported.

[Cervenkova] How do you regard the analysis based on natural indicators?

[Janacek] The most dynamic component of our economy is undoubtedly made up of enterprises employing fewer than 25 employees. But our statistical efforts are unable to capture their production in an exhaustive manner because that simply is not possible. There therefore remains the possibility of making a judgment on the basis of the development of some natural indicators—such as, for example, the consumption of electric energy. If small-scale consumption were to rise expressly, that would not mean that the population is now using more energy for the purposes of illumination or washing clothes, but would particularly mean that small enterprises, which are, for the most part, listed as small-scale consumers, are producing more. Even if small private firms do not pay their employees poorly, the growth of wages in their enterprises is ordinarily exceeded by the growth of efficiency. Productivity for all of Czech industry in 1992 declined by 2.3 percent, but, in the group of enterprises employing fewer than 25 employees, it rose by 360 percent.

[Cervenkova] Do you therefore intend to apply the measures, which the General Agreement authorizes you to take, selectively—for example, by branch, sector, or size of enterprise, form of ownership?

[Janacek] The General Agreement does not authorize us to proceed that way. That does not mean, however, that we are powerless in the face of extremely irresponsible conduct on the part of some enterprises that are seriously insolvent, that have no assured sales, and that, despite the decline in overall production, are increasing wages and thus literally consuming their substance. We have certain information of that type available from data reporting insurance premiums that have been paid. A listing of such enterprises was passed on by us to their founding ministries, and we believe they will intervene. Furthermore, we are very consistently and strictly proceeding against nonpayers of social-insurance payments; the Czech Social Security Administration is filing suits against those debtors, in accordance with the law on bankruptcies and settlement. However, a fundamental change for the better will not occur until such time as stockholders assume their ownership rights and frustrate that conduct on the part of unresponsive management in the subject enterprises, which could, given the silence or silent approval on the part of the trade unions, thrust us into the actual deluge of uncontrollable inflation under the slogan "After me, the deluge!"

*** Vital Economy Information Presented on Disk**
93CH0743C Prague LIDOVE NOVINY in Czech
11 Jun 93 p 13

[Unattributed article: "Czech Republic on Disk"]

[Text] The Ministry of Foreign Affairs of the CR [Czech Republic] recently distributed to all commercial representations abroad a unique publication of collected

information, "The Czech Republic on Disk." It is a database designed to serve the needs of foreign and domestic businessmen.

The set of three diskettes, which equals in size a compendium of 600 pages, provides detailed information on the conditions relating to the access of foreign firms to the Czech market, and for domestic enterprises and private businesses it brokers contacts with foreign partners. As LIDOVE NOVINY was informed by officials of

the Foreign Ministry's press department, CR representative offices all over the world will use the database to answer inquiries of both Czech and foreign parties interested in business.

"The Czech Republic on Disk" has the advantage over information in book form that all macroeconomic and microeconomic data, explanatory charts, and tables are updated quarterly. All data are easily accessible in a hypertext program, which combines all advantages of a book and an electronic database.

*** Statistics on Narcotics, Amphetamine Production Viewed**

93EP0299A Warsaw TRYBUNA in Polish 19-20 Jun 93
p 7

[Article by Cezary Rudzinski: "At the Intersection of Narcotics Routes"]

[Text] We are well located; our contacts with the West are increasing. We are also, although I do not know whether the current time is yet appropriate, a relatively safe country in terms of a direction from which narcotics can flow into the West European market.

A ship or plane, for example, from South or Central America or from South Central Asia always arouses greater concern among customs and police services investigating narcotics smuggling than, for example, a ship from a Polish port or a long-haul truck carrying Polish goods.

The scale of narcotics smuggling detected is rising rapidly. To a certain degree, that is a sign of the quality of our border and police services, which, thanks to cooperation with Interpol, have obtained good, rapid information and the ability to improve the qualifications of the people working on narcotics.

But the facts show that Poland, located at the intersection of important routes for moving narcotics (the oldest from East Asia, the Balkan route that is of secondary importance because of the war in Yugoslavia, and the newest from South America that hooks up with Africa, and, perhaps, the one developing in the former USSR), is becoming, or narcotics mafias are making it into, a base with warehouses from which smaller quantities of narcotics are moved to the West. Poland is not yet a goal in itself for the narcotics business. Not yet.

In 1991, six attempts to smuggle narcotics were discovered. In 1992, 23 were discovered; in 1993, so far, more than a dozen. The amounts that were captured in 1991-92, although significant, were not large by European standards: 150 kg of cocaine, 17 kg of heroin, four kg of hashish. For comparison, more than seven tons of heroin and 194 tons of Indian hashish were captured in Western Europe in 1991.

It is known, however, that a few large shipments did not reach Poland because of the services of other countries. On 17 November 1992, 350 kg of cocaine shipped from Panama to Gdynia were found on the D. Ulianov in Hamburg. During the same period, also in Hamburg, the Germans intercepted six and a half tons of marijuana in a container addressed to Jelenia Gora.

Our services are also not without their successes. It is worth recalling the 100 kg of cocaine from Colombia discovered in October 1991 inside the wooden pallets of a shipment of beans. A couple of months later, a courier from Peru, carrying four kg of cocaine in men's shoes, was caught at the Okęcie airport. For greater

security, he had taken a roundabout route through Moscow, but he was still unsuccessful.

There were also couriers carrying capsules with "white death" in their own stomachs. There are many ways of smuggling narcotics, and our services know them; trained dogs are helping people find narcotics more effectively.

The greatest success in 1993 so far is the 100 kg of cocaine a Dutch citizen was unable to smuggle out through Szczecin on 13 April 1993. There is also the 12.2 kg of heroin found in a diplomat's bag at Okęcie on 20 April 1993 and the 4,421 kg of marijuana in a container of tea from Mozambique found at the border in Lubieszyn.

It is necessary to add that couriers with shipments are also foreigners. For example, there are the Turks caught near Szczecin near the end of 1991 with three kg of heroin; there is the Turkish driver of a long-haul truck, with, among other things, 207 kg of heroin, who was caught on 30 October 1992 at the border between Poland and Germany, the Dutch citizen already mentioned, earlier a Nigerian, citizens of Latin America, and also Poles. The most recent catches of citizens of the Republic of Poland were two individuals trying to smuggle 10 kg of heroin in the tank of an Audi. They were caught on 6 May 1993 in Bulgaria, and two others with 15 kg of heroin were stopped at the border between Turkey and Bulgaria.

Since we are talking about Poles, the highest quality amphetamines are produced in Poland and then sent chiefly to Germany and Scandinavia. It is estimated that we are fourth or fifth in the production of amphetamines. Among the facts I obtained at the Main Command of the Police, it is worth mentioning that, of the 40 kg of that narcotic discovered in 1991, 35 kg discovered outside the Republic of Poland were, in the opinion of experts, of Polish origin. In 1992, 10 kg of amphetamines were confiscated in Poland and, outside of Poland, 37 kg of the "Polish heroin." For comparison: In 1991, 415 kg of amphetamines were confiscated in Europe.

The problem, however, is not marginal. It is growing, especially because we have our own addicts. Specialists estimate their number at 200,000 to 250,000. In 1992, 15,335 individuals ended up in police registers, where only those who have committed crimes associated with narcotics or attempts to obtain funds for them find their way. Among them were 9,900 described as addicts. The others are so far only in danger.

They are chiefly young people; nearly 10,000 are younger than 24. They have committed more than 3,000 crimes, including breaking into about 400 pharmacies and centers of the health service, seeking narcotics or pharmaceuticals that can substitute for them. In 1992, the authorities also uncovered more than 1,600 illegal plots of poppy and liquidated 521 small laboratories producing so-called "kompot," an extract from poppy straw.

In the opinion of specialists, Poland is in a dangerous phase of quantitative and qualitative change in narcotics and addiction. As a result of a shift to the cultivation of new varieties of poppy, unsuitable for narcotics because it contains only 0.06-percent morphine—that is, nine times less than current varieties—addicted individuals are more frequently using “real” narcotics, especially the amphetamines available in Poland.

Produced for export, they can also, as is already the case, although in small quantities, be used domestically. Cocaine, hashish, and marijuana are available in Poland, all at prices well above that for “kompot.” That increases the threat of crime because an addict must have funds for narcotics regardless of how he gets them.

Meanwhile, combating the production, sales, and use of narcotics is difficult in Poland. The police lack the finances and the personnel, although it must be considered a plus that they no longer consider the problem of narcotics and addiction marginal. But the authorities’ hands are tied by the regulations that, for example, do not include a penalty for the simple possession of narcotics, even in large quantities (though they do for

moonshine!). Thanks to that law, a courier caught with several kilograms of narcotics recently left a Szczecin courtroom free.

Also thanks to that same law, narcotics sales are made almost in public in Poland. The police in 1992 caught only 45 dealers. Placing someone before a court with a chance for a sentence requires catching him red-handed and finding witnesses who confirm it. The police see hope that Poland will ratify the international regulations, which will force the adaptation of Polish regulations to them. In any case, a proposal to amend the current law on the prevention of drug addiction is already in the Sejm, chiefly thanks to Deputy Izabella Sierakowska and Deputy Minister Krystyna Sienkiewicz.

Recently, our Border Guard and the police received 450 sets of tests for narcotics (enough for 12 to 18 months) and a promise for special equipment for 17 Polish laboratories to test narcotics and other help, which will surely help in limiting the phenomenon.

But, without a change in the law, which only a new Sejm can make, as well as financial and personnel support, equipped with the appropriate powers, it will be difficult to expect substantial successes.

Voters, Officials Contrast Views of Parliament*93BA1181A Bucharest LIBERTATEA in Romanian
19-20 Jun 93 p 2*

[Article by Neli Luchian: "Summer Is the Time for Counting...Laws: Contrasting the Voters' Views of Parliament and Parliament Members' Views of Themselves"]

[Text] Here Parliament is, wending its way now through a motion of censure; then through a lengthy debate on the budget; then again through a mighty quarrel and, in a premiere performance, a fistfight; and yet again through a bill or a commission of inquiry, rapidly striding toward its legally prescribed vacation time. Since its work has often occasioned "gossip and conjectures," I thought that we would offer you an outside and...inside look at Parliament. Thus, for a start: How People View Parliament.

From the Outside...

We have selected for you several replies to a single question:

"How would you assess the work of the present Senate?"

Aneta Popovici, 32, typist:

"Assess, hell! I can't go anywhere or even turn around without hearing everyone saying that they don't have any laws. I just came from City Hall where a clerk kept throwing hints at me, saying that they have to stay within limits of the budget there and that their salaries are small. So, tomorrow I'm going back with a 'gift' for her."

Dan Cristea, 45, business owner:

"I'll tell you frankly that I am up to my ears in work and am not of a mind to make any kind of assessment. It would be better if I told you what it's like in China, because I was there for about three weeks. I don't know how they are doing politically, but everyone there works until they drop, all the time. And you would not believe how the foreigners with dollars are crowding in there. When some of them asked me what's happening here with the law about investors, I just shrugged because I knew that they hadn't finalized it."

Vivi Stelian M., 30, electronics specialist:

"If you want a succinct assessment, it's like this: Add lack of interest to ill will to bad manners and multiply the total by 350 [members of Parliament]. The remainder, out of the entire Parliament, seem to me to be sensible people. But, as you can see, what can 50 people do?"

Victor D., 39, policeman:

"We prefer to remain neutral; we don't get mixed up in politics. The only thing is that my wife doesn't want to accept that, so she keeps nagging me all day long to shed

my uniform and become a lawyer; she says that otherwise all that sweating I went through to get some schooling will have been useless, because I'll stay poor to my dying day. It'll be a wonder if I don't do that, too, because, praise the Lord, anyone who wants to curse us can do so, while meanwhile there is no law on the horizon about the police."

Ion Popovici, 58, worker:

"Before, I used to watch television, but I haven't felt like doing anything like that lately; I don't read the newspapers any more, either. People at work tell me that they're having fistfights and cursing each other out like bums. They should be ashamed of themselves, because they're sensible people. Maybe money has gone to their heads; because if they asked themselves the way I ask myself if they'll ever reach the point of retiring from this factory, they would think about tomorrow, they would come to their senses, and they would do their job."

Viorica Tache, 21, student:

"I don't want to seem pedantic, but it bothers me to see the spectacle presented by some of those who pompously proclaim themselves 'the people's chosen ones.' While the last Parliament may have had the excuse of 'breaking new ground' in this realm, those who are in there now give you the sense that they are simply mocking us. I am sorry that people whom I once held in esteem have proven themselves, once they got into Parliament, ready to cheapen the stature with which they have been invested."

Sandu T., 22, a classmate of the above respondent:

"How can you assess something that doesn't exist?"

...And From the Inside

This time around, we prepared a set of three questions and put them to some senators:

"How many laws would you estimate were debated during the present session?"

"Which laws were the most important ones?"

"How would you rate the work of the Senate?"

Ion Blaga, PD [Democratic Party] (FSN) [National Salvation Front]:

1. I think that there were a lot fewer laws and much less important ones than in the previous legislature.
2. The state budget. After that, I would list the bill concerning the management contract. I am also waiting for the privatization program of the FPS [State Property Fund] for 1993.
3. In general, the work of this Senate, compared with the previous legislature, seems weaker to me. Maybe this is due also to the lack of professionalism on the part of many members of Parliament.

Sabin Ivan, PL [Liberal Party] '93:

1. I do not know exactly, but there are fewer than there should be. A lot of time was lost with interpolations, discussions, and statements that had nothing to do with legislative work.
2. Unfortunately, those concerning agriculture, national defense, and the local budget got no farther than the draft stage.
3. Satisfactory. Compared with members of the last Parliament, members of this one talk a lot and get little done. Some take the floor, as in the case of Mr. Vadim and Mr. Dumitrascu, just to make statements without any substance or argumentation to back them up. That is detrimental as much to the Parliament as to the country, especially when we wish to be admitted into the Council of Europe.

Mircea Valcu, PUNR [Romanian National Unity Party]:

1. I do not think we need a precise assessment. We cannot compare ourselves to the previous legislature, where the overwhelming majority could easily exercise control. Now no one can control either the discussions or the decisions, despite the fact that a majority does exist.
2. The package of laws concerning reform of the judicial system and its scope, and also the management contract. The budget bill was also important. Unfortunately, while in the United States this subject is discussed a year in advance, we here do not get around to it until a third of the year has already gone by.
3. The Senate's work has followed normal lines. And it would be good if, when people were assessing this work, they gave up the mentality that originated under communism that seeks to impose "production quotas." We need legislation, and a solid edifice cannot be erected in a few years. We are reproached for the length of our discussions. A public forum implies the clash of opinions, and Parliament is a public forum. Let us not forget that the existence of a state based on laws presupposes the efforts of a legislative body.

Attila Verestoy, UDMR [Democratic Union of Hungarians in Romania]:

1. I believe that it is a smaller number compared to the past session, when the urgent need for laws imposed a different pace of work. Now we need to consider matters more carefully: People have actually been advancing contradictory opinions, and it is good for us not to dispose of matters summarily merely by voting and evading debate.
2. The set of laws concerning judicial organization called for by the democratization of society and the Europeanizing of Romania. Unfortunately, the foreign investment law has still not been finalized, and here, I believe, the Senate has made a mistake.
3. We succeeded in establishing a more effective working relationship among parliamentary groups; the result can be seen in the number of bills debated.

Nicolae Manolescu, PAC [Civic Alliance Party]:

1. We started debate on a larger number of bills than we were able to follow through on to a conclusion.
2. First of all, the bill concerning foreign investments, the control of the SRI [Romanian Intelligence Service], and the group of bills concerning agriculture have been delayed for quite some time.
3. Somewhere between satisfactory and unsatisfactory, if we were to apply the grading system which was in effect when I was a university student. I would say unsatisfactory, if I did not know that obstacles exist that go beyond issues of good faith and effort. Principally, there was an inauspicious atmosphere that made the incidents, some of them quite tedious, rob us of the time necessary for debates. But these incidents are just symptoms, reflexes. The underlying cause is the polarization, almost from top to bottom, of Romanian political life. There are people who reject a bill solely because they are under the impression that it comes from "the opposing camp," even though some bills have no political tinge. Consequently, it is a question not of political division but of mentality: between old and new, between dependence and independence, between initiative and the absence of initiative.

Radu Vasile, PNTCD [National Peasant Christian Democratic Party]:

1. I could say that in the Senate we did not lag behind. Even in the commission on budget and finance we really worked out all the bills, except for some international agreements which will be debated next week.
2. I wish to underline that the only body to present a coherent set of bills was the Ministry of Justice, concerning the organization of the judiciary, which was debated under emergency conditions. I would like to mention that the Ministry of National Defense also submitted bills which, for reasons unknown to me, were not put on our legislative agenda. Other important laws are the management contract law and the landlord-tenant law, which is being debated by the House.
3. I consider that the discussions were held at a satisfactory level, from many points of view. In the first place, people are concerned with debating the most important laws. Also, the discussions have had a more pronounced character of concreteness and straightforwardness, and it is interesting that, even when there have been opposing points of view, a more marked level of civilization has been noted.

Doru Ioan Taracila, FDSN [Democratic National Salvation Front]:

1. A great many. Think of the fact that we have, I could say, almost 25 bills in front of the House of Deputies.
2. The laws included under the judicial reform.
3. Very good, due principally to the quality of the laws that were drawn up. Paradoxically, public opinion picks up more readily on extraparlimentary matters, which are essentially minor, so that the public has a distorted picture of legislative work as a whole.

*** Meciar's Political, Psychological Profile Drawn**
93CH0802A Prague LIDOVA DEMOKRACIE in Czech
1 Jul 93 p 9

[Article by Martin Mrnka: "Vladimir Meciar—Disintegration at Half-Time"]

[Text] It has been six months to the day since Vladimir Meciar took his place at the head of the independent Slovak state. What were the six months like for the man who became the symbol of Czechoslovakia's breakup? The leader of the Movement for a Democratic Slovakia [HZDS] is, first of all, in an entirely different situation from when he was acclaimed by the crowds he was welcoming during the night of 1 January 1993, Slovakia's historic second attempt at sovereignty. Then, on Bratislava's Square of the National Uprising, he was for many Slovaks the victor over Czech arrogance. Today, he is for roughly the same number of Slovaks the author of the growing unemployment, the breakdown of health care, and the higher prices of railway tickets.

Then, to insult that man was to pay in blood. Today, it is not even smart anymore to make fun of him.

Different from in January, or even a year ago, before the elections, is, of course, Vladimir Meciar himself. The once uncompromising bullfighter has turned into a politician beset by uncertainty. Like the Roman commander Mark Antony, who dissolved his military honor in wine and Cleopatra's embrace, Vladimir Meciar is being ground down in skirmishes with the opposition and the day-to-day problems of governing.

One of the people who know the Slovak prime minister best, Milan Zitny, commentator for RESPECT, PROS-TOR, and now Free Europe, told a joke some time ago about the way negotiations are conducted between Klaus and Meciar on the future of Czechoslovakia:

Vlado [Vladimir Meciar] arrives by limousine in front of the hotel Borik, where he is to hold key discussions about the division of the Republic. He is trying to imagine what kind of snare Klaus has ready for him, and his face is turning red with anger. He walks up the stairs, and his eyes are becoming bloodshot. He enters the hallway leading to the negotiating room, and, at the thought of Klaus, slippery as an eel, he lets out a bellow of rage. He charges against the door so that he can give the Czech a thorough tongue-lashing, and he breaks it down with the force of his momentum. And there is Vaclav Klaus standing by the desk, artfulness incarnate, smiling politely. Such hypocrisy so infuriates Meciar that he flies full speed through the room. Only when amid the tinkle of broken glass he is leaving the window on the opposite side of the room, does it flash through his head: "And what was it we were supposed to discuss anyway?"

Vladimir Meciar is an exceptionally emotional person. An ungovernable inner energy drives him not only to use his notorious locutions of the "I'll kick your ass!" type, but also to engage in harsh attacks against an ideological enemy, as when he managed, at the beginning of his

career, in the no less notorious debate, to literally tear to pieces his then adversary Markus, the chairman of Matica Slovenska.

The problem is, in the judgment of Milan Zitny, that the Slovak prime minister can react perfectly to external stimuli and improvise, but he is not very good at performing consistent conceptual work.

"To be able to take any kind of decisive step, he always needs some starting mechanism," explains the Free Europe commentator. "He needs an enemy, even an imaginary one, so that he can then defeat him in battle. A classic example is the recent question of halting the issuing of shares to Slovak holders of investment coupons. That was very easy to react to.

Or, recently, representatives of the Hungarian minority came with such impossible demands that they could not find advocates even in any international institutions. But if no one gives him such an opening, he will have to generate an enemy out of his own head, and that will make him even more ridiculous. As soon as he has no outside adversary, he is faced with the problem of finding one.

To a certain extent, Meciar's political attitude betrays his original sports training. It became evident during the Meciar-Klaus negotiations. The former boxer uses tactics that are totally different from those of the basketball player. Whereas Meciar is used to relying in the ring on only himself and, at most, falling into the arms of his trainer at the end of the match, Klaus, the league basketball player, knows how to work with a team. That is, of course, precisely what Meciar lacks.

Just the opposite. He gets rid of the able people. "Today he does not have behind him the strong lobby that created him, such as Igor Cibula from Narodni Obroda, Knazko, Filkus, Kovac as president," says Milan Zitny. "Now there is a soft—in Knazko's case hard—opposition to him, which is trying to paralyze him in his activities and leave him to slowly bleed to death, so that he would have to wrestle with real problems on his own turf, so that he could not blame anything on anyone else, only on the situation at home. The fewer arguments his environment presents him with, the more arguments he will have to find by himself in order to explain why things are not going well."

"With the exception of the investment coupon holders' shares, Klaus is proceeding very skillfully," opines the crack commentator from Free Europe. "It may look as if there are not going to be any negotiations, but he nevertheless forces him into negotiating. The defiance then peters out, and Meciar loses the possibility of striking again. Michal Kovac does the same thing. He created for himself a small presidential team that strives to make sure that Slovakia acts on the outside with propriety and shows a willingness to cooperate. He is thus succeeding in diminishing Meciar's influence a little. It appears to be very effective."

People who are sensing an approaching slow collapse are beginning to turn away from the HZDS; on the other hand, flocking to Meciar are people who do not sense that. "For example, Zelenay," explains a man from the leadership of Carnogursky's Christian Democratic Party, who, for tactical reasons, does not want to be named. "Zelenay has absolutely no feeling for the changes in political reality. Clinging to Meciar are thus increasingly such individuals who today look comical in public, and people are making fun of them. The way they are criticized is another thing that makes Meciar feel the pressure. They are for the most part truly incompetent, not only professionally speaking but also in their statements, which sound dim-witted. For example, he keeps Hoffbauer, a man who was instrumental in the tearing down of signs with Hungarian names of villages along roadsides. Now that came back like a boomerang during the proceedings for acceptance into the Council of Europe because it was obviously the main reason they dragged on and on. When Vladimir Meciar then announced at a press conference that the signs with Hungarian names may be put back, Hoffbauer was sitting next to him. But people do not have such short memories."

Vladimir Meciar began the new year with a government in which, according to the opposition politicians, including the Party of the Democratic Left [SDL], one can find only with difficulty a real personality or an expert. After the chairman of the Slovak National Party [SNS], Ludovit Cermak, voluntarily stepped down from his position as minister of economy, and Milan Knazko was fired from his job as minister of foreign affairs, what was left in the Slovak Government were predominantly only nonentities, on whom the angry dissatisfaction of the public is focused.

Public enemy number-one is Viliam Sobona, minister of health. It is hard to enumerate all of the missteps that led to the almost unanimous "uprising" of Slovak health-care workers, but one thing is obvious: In spite of the continuing pressure by the opposition (the last time it tried to recall him was in the National Council of the Slovak Republic two weeks ago) and the press, he still enjoys Meciar's backing. Some nasty people are even saying that Vladimir Meciar, who, according to them, suffers from a mental disorder (allegedly manic-depressive illness, which manifests itself by periods of feverish activity followed by periods of severe depression), is indebted to Sobona for his medical treatment. According to rumors, Sobona established somewhere in central Slovakia a special sanatorium for Meciar, where the prime minister hides when his illness can no longer be managed by ambulatory care with medications.

Another noteworthy person in the Slovak Government is Dusan Slobodnik, a minister and now, according to a number of artists, the executioner of Slovak culture. Apart from a number of statements that definitely did not improve the Slovak "image" abroad, Slobodnik became notorious as a man who, in 1945, joined for a short time the training camp of the contra-partisan SS

command. He, too, is said to know too much about Meciar, and, therefore, he is unremovable in spite of his reputation.

Another person close to the Slovak prime minister who must be mentioned is the widely disliked personal secretary of the prime minister, Anna Nagyova, whose practically unlimited power also stems from her detailed knowledge of the prime minister's presumed illness. It is certainly not by chance that the resigning Knazko said about her: "He keeps her on because she can destroy him practically in an instant."

Meciar, of course, ignored the opposition's reservations about the composition of his government. He made no objections to Matus Kucera, the minister of education and science, whose reputation is roughly the same as that of Minister Sobona. In the face of this unwillingness to make any concessions, the opposition within the broad spectrum from the SDL to the KDH is united on only one point—the necessity to hold early elections.

New elections could presumably be called as early as the fall of this year or the spring of next year. The SDL will most likely win that election, and the HZDS would face disintegration. A governing coalition with the SDL would probably be formed by the liberal party Milan Knazko is establishing, a potential social democratic splinter group from the HZDS, and the SNS.

"We shall have to count with Meciar even after the elections," replies Milan Zitny to the question of what, in his opinion, would be the result of the early elections. "But not to such a significant degree as in the last elections. In the latest public opinion poll, Meciar received less than 20 percent, and I see no reason why his popularity should rise. Although he is negotiating with the SNS and is considering restructuring the government, he is still protecting some controversial ministers. He can keep up that tactic for a little longer, and he can also put off the time of the early elections a little longer. But because his government does not have any comprehensive concept of how to resolve the ever-increasing problems, Meciar still tackles only the details and tries to patch them up somehow, and, as a result, the entire complex of large problems eludes his government. That tendency of his is clear and immutable, and, thus, it can be assumed that his popularity will continue to decline—so much so that, by the end of the year, it could reach zero. It could happen, therefore, that, in the elections, he will get, at most, 10-percent support from the public."

As the last attempt to prevent a total disaster in the form of early elections, Meciar, entirely against his nature, chose a different way—an attempt at conciliation. Because the governing movement has insufficient support in the parliament, two weeks ago he began to discuss a government coalition with the SNS all over again—with the same SNP that abandoned Meciar's government in the spring.

A week ago, the prime minister removed the incompetent Minister of Education Kucera, and, a few days

earlier, Lubomir Dolgos, the minister of privatization, resigned. The controversial Sobona was kept in negotiations in the SR National Council by the SNS, whose selected men were already looking forward to some ministerial positions.

According to a commentary in Bratislava's respectable NARODNI OBRODA immediately following the first agreements on cooperation, the coalition tandem HZDS-SNS was to free Prime Minister Meciar from uncertainty in the parliament, where his Cabinet still has minority support and, at the same time, shift some of the burden of responsibility for unpopular measures to another political entity.

All of the facts indicate, NARODNI OBRODA wrote two weeks ago, that, in case there is real interest in a partnership with the SNS, Prime Minister Meciar will have to make concessions. Meciar himself, in fact, reduced his maneuvering room in further coalition negotiations in advance by barring possible participation of the SDL in the government. Meciar is said to have decided on that approach because the SDL was interested in a coalition partnership but without the current prime minister.

According to the newspaper, the "wily as a fox" Ludovit Cernak quickly took advantage of the opposition's willingness to negotiate an agreement on whom to place in the Highest Control Office and of the chill in the relations between the HZDS and the SDL, and successfully maneuvered himself into a position where he could tip the balance, which role had been played until now precisely by the SDL.

But, before too many days went by, Meciar executed a manoeuver typical for him. He decided to take on the position of minister for privatization himself. The Ministry of Education he gave to Deputy Prime Minister Roman Kovac. The SNS candidates M. Andel (education) and V. Miskovsky (privatization) were left out in the cold. A few days later, the hot candidate for chairman of the Highest Control Office, Jozef Stank, of the SDL, did not make it through the Slovak parliament, thanks to the HZDS and the SNS. In that instance, too, the position was promised to the SNS. "The greatest danger for Ludovit Cernak and company is their naive trust that any agreements they make with Vladimir Meciar will be abided by fully by the prime minister," wrote the daily PRACA in that connection.

At this time, the SNS has not yet abandoned attempts to form a coalition with Meciar, but, of course, it also restarted the recent negotiations with the opposition. And so Meciar continues on the road at the end of which the postponed early elections obviously await him. He is not giving up yet, but time is against him.

His sharp rejection of the IMF conditions in the spring of this year caused Slovakia to be ranked among the Third World countries because the loan the IMF is now

offering has much stricter conditions. The money Slovakia could have received under the same conditions as the Czech Republic it will now receive under the same conditions as Romania.

Slovakia's membership in the Council of Europe, the first step toward incorporation into the structure of the European Community, was almost blocked by Hungary, alarmed by Meciar's rhetoric.

Face to face with those realities, the Slovak prime minister is now even abandoning his blackmailing pronouncement about turning off the oil spigots. "Lately, his statements increasingly reflect the positions of both the European Community and the United States," Milan Zitny confirms the change. "Moreover, such a decision, as, for example, to cut off the flow of oil or gas, is highly political, and the enterprise in question will resist. The board of directors of the corporation would simply oppose it. After his statement in DER SPIEGEL, some voiced the opinion that it was a fateful mistake because now the Czechs will build the oil pipeline from Ingolstadt sooner, and Slovakia will lose part of its income that came from the transportation of oil."

Is an angry slamming of the door behind his unsuccessful six months of governing the only thing Meciar has left? All indications are that he is no longer capable of doing even that. "Today the situation is such that he can no longer extricate himself. Everyone is slowly trimming him down little by little and reducing his maneuvering room," says Free Europe commentator Zitny. "He is left with fewer and fewer arguments, governing is beginning to be onerous for him, and the burden he carries keeps getting heavier. By refusing for such a long time to restructure his government, he narrowed his maneuvering room himself. He dug his heels in and decided to continue with the original government to the end, and it turned out that that government is not very competent. And the opposition, although on other matters it is not so solidly united, will let him to sweat it out by himself. As the SDL said plainly: He made his bed; let him sleep in it."

* Law on Council of National Security Criticized

93CH0768A Kosice SLOVENSKY VYCHOD in Slovak
22 Jun 93 p 3

[Article by Ernest Valko, chairman of the former CSFR Constitutional Court: "Legalization of a Coup d'Etat?"]

[Text] The proposed constitutional law on a National Security Council is in conflict with the Constitution of the SR [Slovak Republic] and limits the authority of the president, as well as that of the NR [National Council] of the SR. The assertions in the report justifying the proposed law are also not true; specifically, it is not true that almost every country in the world has a similar agency.

Lately, on the political scene, there has been quite a lively discussion of the proposals for laws that give an opportunity for an undemocratic development in the

SR. Representatives of the SDL [Party of the Democratic Left] have loudly said that their party definitely will not support in parliament those laws limiting democracy. One of them is certainly the law on a National Security Council. We requested a brief evaluation of it from the chairman of the former Constitutional Court of the CSFR, JUDr. Ernest Valko.

1. In democratic parliamentary systems, there exist models for organizing the agencies and their authority for the field of defense, declaring a state of war, declaring a state of emergency, and such. Where the justification report states that almost every state in the world has established a similar agency, that assertion is not correct.

Where a similar agency is established by the Constitution in democratic countries (for example, France or Portugal), its authority is modified in agreement with the other portions of the Constitution. That means that it is headed up by the commander in chief of the armed forces, which in both of the countries mentioned is the president. There are also models in which the "councils" are only consultative (not decisionmaking) agencies of the executive branch; a well-known example is the National Security Council of the United States. Finally, the constitutions of some democratic countries also recognize systems where the above tasks belong to the executive (for example, the Federal Republic of Germany), but the constitution always includes the concepts of instruments and controls (in the FRG, that is the constitutional court, and in other cases it is the parliament or its agencies).

2. The conception of the constitutional law on the National Security Council of the SR makes it possible to stage a takeover of power by the prime minister of the government not controlled by anyone, based on the constitutional law:

- The council itself is formed (appointed) by the prime minister of the government (without any kind of participation by any other agency), and each territorial council then constitutes a council formed in like manner, while the prime minister of the government determines the number of members of the council.
- The council is not responsible to any kind of agency—that is, not even to parliament.
- The council can, by its own decision (Paragraph 20), subordinate to itself any portion or quantity of the armed forces or the police and thus remove it from the authority of the president as the commander in chief of the armed forces, or of the minister of defense or the minister of the interior.
- One could describe as totally gratuitous the provisions of Paragraph 7 on the establishment of a crisis staff that permits it, without any kind of constitutional determination of the conditions, to concentrate all power into the hands of an agency that is in no way defined and not controlled by anyone (and can also consist of only two persons).

—The proposed constitutional law, in conflict with the Constitution of the SR (Article 102, Items 1) and k), limits the authority of the president of the Republic and the NR of the SR. For example, if the president declares war in accordance with Article 102, Item k) on the basis of a decision of the NR of the SR, then, according to Paragraph 3, Section 1, one of the cases of defense readiness is the declaration of war, which is announced not on the basis of a decision by parliament but on a proposal by the council. According to Paragraph 10, the position of the president of the Republic is in total conflict with his position as commander in chief of the armed forces, inasmuch as he appears in the council only as a "guest," which is really a "special case," because, even in the normalization period, he was a member of the State Defense Council (Constitutional Law 10/1969).

3. The entire proposal is characterized by a vagueness of its formulation, which makes a broad interpretation and its misuse possible.

* SNS Negotiations With HZDS Evaluated

* Talks To Be Long

93CH0755A Bratislava PRAVDA in Slovak 18 Jun 93
pp 1-2

[Interview with SNS chairman Ludovit Cernak, by Marian Lesko; place and date not given: "I Do Not Wish To Step in That Same River"]

[Text] Ludovit Cernak, the chairman of the SNS [Slovak National Party], in the last few days is a very sought after and looked at politician, especially in the journalistic community. At the initiative of the weekly SLOBODNY PIATOK called 13 + 1, he came before it to answer the numerous questions on the status and outlook of the coalition talks with the HZDS [Movement for a Democratic Slovakia]. Our editor put several questions to him as well.

[Lesko] Mr. Chairman, you are discussing a coalition with the HZDS, but you do not hide the fact that you would gladly bring a third partner into play, either quietly or openly. Does the HZDS also have that idea?

[Cernak] It is really an idea of our party, which the congress approved. We want to make the HZDS aware of the fact that we are trying for the support of another parliamentary partner. If we can coolly and rationally count the numbers, I predict that the HZDS will agree, even though in our first discussions they took a quite emotional stance on the question. On the other hand, we are speaking to our potential partners about the marriage of two parties. Three of them did not reject the idea of their possible quiet support of a coalition out of hand, but... I personally work hard against politics being understood as a business, but an agreement is always the result of a certain concurrence of supply and demand. We have very specific offers prepared for strengthening such quiet support.

[Lesko] You have emphasized several times that you are willing to enter a coalition but only under clear rules. You say that they should form the mechanism for resolving conflict situations. What do you have in mind?

[Cernak] When material comes into the government on which we have a different view in principle from that of our partner, we do not consider it acceptable for him to use his majority to approve it against our will. We believe that we will have, perhaps, the right of veto. We will be able to request that that material not be discussed and that it become the subject of coalition talks.

[Lesko] That is a serious change from your first actions in the government....

[Cernak] I already pulled out of the government once. You cannot step into the same river twice.... We must have the kind of rules of play agreed upon so that it will not be possible to manipulate us into an unresolvable situation. I therefore mentioned the right of veto and coalition talks. One must also remember what happens in the case of disagreement in coalition talks. The one who comes into them as the third party and the decisive entity who works with independent expertise must have both parties' commitment to respect the expertise. We must think up a method of creating that third, decisive agency.

[Lesko] In which area do you want to implement your ideas?

[Cernak] I am now thinking especially about steps and measures concerning economic laws and matters. Because Slovakia is at a crossroads in deciding on a possible coalition government, the government must ensure that its economic concept and agenda are carried out.

[Lesko] And today you were asked if your reentry into the government and your personal, politically moderate statements will not reduce public support for your party....

[Cernak] Politics are not carried out for the press or political partners, but for the people. Therefore, I think there has been enough of confrontational tones and personal confrontations. Indeed, it is unhealthy that neighbors in a village will not talk to one another because one is for the KDH [Christian Democratic Movement] and the other for Meciar. It cannot go on that way any longer. I therefore do not consider it so much moderate as pragmatic. I can clearly see that our social problems are piling up and that we are not far from an explosion. I expect that our overall approach will cause the SNS some slight losses on the fringes, but I am convinced that, in return, it will bring massive gains in the broad center.

[Lesko] On Monday the talks about a coalition will continue. I ask you as one of the two equal participants: Should the public be prepared for the possibility that an agreement will be reached?

[Cernak] On Monday we will show up with some specific proposals that will implement the previous agreements. If they are accepted, it is possible we will concur and also reach an agreement. But I know the views of the governing movement and its chairman, so I expect that, in the discussions, there will be at least two sore points that come up. I therefore estimate that we will need another one or two rounds of discussions.

* SNS Transformation

93CH0755B Bratislava SME in Slovak 21 Jun 93 p 4

[Commentary by Jan Fuele: "The Dilemma of the SNS"]

[Text] This week will decide on the future and direction of the Slovak National Party [SNS] for a long time. After its failure in the elections, which the not-quite-8-percent share cannot be called anything but, the SNS leadership is looking for a new form and is also looking for it in the membership base. That formulation is precise and in some ways brings the leadership of the SDL [Party of the Democratic Left] closer to the SNS leadership. Representatives of the two parties are explicitly reeducating their members.

"To be pro-Slovak does not mean being anti-Czech or anti-Hungarian," said SNS chairman Ludovit Cernak on Thursday. He is just the one who is bringing about the main changes in the policies of the SNS. Without some of his initiatives, the SNS in an independent Slovakia would have slowly but surely, by radicalizing its attitudes, have become a party of a political stripe that is not acceptable for the democratically thinking portion of the population here and abroad. It is also because of that that today we do not hear cries from the ranks of the SNS, defending, for example, the ban on bilingual signs for designating communities (that is nothing unusual in Europe, according to the SNS chairman's comments), and the congress's resolution did not even accept the proposal to press for approval of the law on protection of the Republic. The people who would be attracted by just these "activities" Ludovit Cernak would give up to other, marginally nationalist parties.

But a contest with its own membership and voter base and discussions with the HZDS [Movement for a Democratic Slovakia] can be the very two things the SNS must not try to handle simultaneously. It is difficult not to lose your identity in holding talks with the opposition, if the SNS is still an opposition party, and, at the same time, discuss a future government coalition with the leadership of the HZDS. The relationship with the KDH [Christian Democratic Movement] is very important for those first discussions. The SNS is trying to get included in the international structures, but, without the recommendation of the KDH, it will never get into the EDU [European Democratic Union]. And a party that has support only at home is a regional dwarf. On the other hand, at home the SNS can lose if it is maneuvered into the situation of a manipulated party, which the HZDS needs only to gain a majority in parliament. Both its

political partners and the voters will very rapidly condemn that. Among other things, the choice of candidates for the ministerial posts can influence a lot of people. The word "expert" now has a pejorative flavor to it here, and, even though few people would have predicted it some months ago, the SNS could turn that around.

We will see how it does in the test it has chosen for itself.

* SNS Risking Much

93CH0755C Bratislava NARODNA OBRODA in Slovak
21 Jun 93 p 3

[Commentary by Igor Cibula: "The Skill of Coalition Politics"]

[Text] The Slovak National Party [SNS] is putting itself at enormous political risk in the current situation through its willingness to accept the offer for it to become part of the government. The citizenry will perceive it as jointly responsible for the negative aspects of Meciar's administration, as well, and will hardly take into account the fact that the SNS decided for the coalition with the HZDS [Movement for a Democratic Slovakia] with an awareness of that risk. From that standpoint, it is thus not possible to criticize the representatives of the SNS for some kind of party egotism or to ascribe to them the desire for ministerial portfolios as the exclusive motive for their participation in the government. Their position in Meciar's Cabinet will not be a simple one, even though they want to secure a coalition agreement in writing so that, from the beginning, they will not "get the short end of the stick."

Only undiscerning politicians who do not know the practices in the established parliamentary democracies will rebuke the chairman of the SNS, Ludovit Cernak, for his courage in returning to the government he left three months ago. More substantial than the superficial prestige regards are the circumstances of Cernak's return, and not only for giving a minority background to the monotone of the HZDS government in parliament, but also, and mainly, for the need to preserve a stable governmental representation of the Slovak Republic in a situation when our young independent state is just really being accepted as a trustworthy partner in international society. For the same reasons, it is expected of the HZDS representatives that the planned coalition with the SNS will not be taken only as a provisional one or a way out of an emergency.

The prospects for the coalition duo of the HZDS and the SNS depend especially on how the two partners master the skill of coalition politics. Primarily, it is a matter of whether the HZDS government officials prove able over the long run to adjust to coexistence with the SNS ministers. So far, all of the coalition groupings in Slovakia have run afoul of internal antagonisms before they could have any positive effect. If that is repeated in the case of the Meciar-Cernak coalition, the citizens will decide with their votes in a parliamentary election ahead of schedule whether either one or the other of those

politicians is capable of bearing up under the weight of the responsibility for government at a time that is so complicated for Slovakia.

The expectation for Prime Minister Meciar, in particular, is that he should learn more about the skill of coalition politics if he wants to keep the position of chairman of the government until the end of the parliamentary term. And that demands primarily a division of the responsibility for government among the partners, more willingness to compromise, and an openness to criticism that he wants to help the government. The cooperative politics are harmed by the confrontational style and suspicion of the partners. That statement holds equally true in connection with the considerations as to whether the HZDS-SNS coalition has a chance of holding together longer than some skeptics foresee.

Even if the skeptics predictions that not even the planned coalition will prevent the developments leading to parliamentary elections ahead of schedule come true, there is still a need to recognize the courage of the SNS for entering into a government with Prime Minister Meciar, which will have two hues instead of just one. That can also be an opportunity, through the efforts of Ludovit Cernak, to make the party more visible in the form of a right-wing political entity that wants to define an independent Slovakia in a constructive manner.

* SNS Stand Berated

93CH0755D Bratislava SME in Slovak 23 Jun 93 p 4

[Commentary by Marian Bednar: "An Ultimatum or..."]

[Text] The political representatives of the opposition parliamentary parties, in judging the steps of the SNS [Slovak National Party], are beginning to agree on one thing independently of each other. The SNS has set in motion a political move that clearly exceeds the abilities of its originators—that is, if the SNS obviously does not consider gaining ministerial portfolios a success. The project of a right-wing cultivation of Vladimir Meciar probably has about the same chance of success as similar efforts from the social democratic position. Vladimir Meciar knows perfectly well the nuances of the political struggle for power without any unnecessary (for him) political meanings. To underrate that characteristic of the prime minister would be a sign on the part of the SNS of either naivete or political adventurism. Just the fact that the prime minister is trying in the discussions to force the SNS to support the proposal for a law ensuring the neutralization of Knazek's followers is proof enough. Neither one nor the other will lead to political success, but, at most, only to personal success. In that case, it is a waste of energy to look for any deeper dimensions or, God forbid, the fate of Slovakia behind this entire political farce.

What exactly will Ludovit Cernak gain? Five ministerial portfolios and access to financial resources.

What will he really lose? Acceptance into the EDU [European Democratic Union]. A compromising of the right-wing ideas. It will provoke the right-wingers so they will distance themselves from the SNS (which the KDH [Christian Democratic Movement] will have to do). It will break up the plans for a broad governmental coalition, which, in a certain sense, by its unique composition, could create the basis for a political and economic way out for Slovakia. It risks compromising his own party in the case of a collapse of the coalition with V. Meciar and thus puts into the future V. Meciar's argument that the right wing is also not the proper alternative for Slovakia. It helps the government team survive even though it has failed both intellectually and professionally. And the lesson learned? It is a skill not only to leave the government at the right time, but also to come into it.

More than once Ludovit Cernak has stated that he is playing for the whole pot. He has forgotten to say, however, that he does not have the best cards. He has given up the trumps in favor of his partner. A player behaves that prudently only if he is either under the pressure of an ultimatum or...

* Economic Policy Viewed; Details Unknown

* Devaluation Possible

93CH0752A Bratislava PRAVDA in Slovak 18 Jun 93
p 3

[Commentary by Ivan Podstupka: "Devaluation and All the Rest"]

[Text] From beyond the Morava River, they have declared themselves to be prophets of currency developments in Slovakia. THE PRAGUE POST, which is published in English, has again announced the devaluation of the Slovak koruna. What did not happen in February is supposed to take place now, supposedly by 1 July.

More than devaluation, which would be only a rapidly melting icepack on wounds that will not heal, the Slovak economy needs more serious changes. It is a matter primarily of a goal-oriented financial and credit policy and an industrial strategy with a clear delineation of the branch, professional, and territorial priorities. Things must be made clear in the agricultural and environmental policies, and we must stop marking time in the privatization process.

The currency reflects the status and tendencies of the economy, not the other way around. I suspect that the journalists are lusting after devaluation because it is essentially easier to understand than the ambiguous and complicated dependencies in the transformation of the economy. Devaluation is only one of the possible measures that could be taken to equalize the balance of payments, give advantages to exports and discourage imports, and achieve other effects. Its healing effects appear in the market conditions when it strengthens the tendency to balance out the economic quantities. In our

economy, which one cannot, even with the best of intentions, call a market economy, it would obviously achieve some short-term effects in the balance of payments. But, with unchanged economic relations, it would rapidly be subjected to the system's inclination to return to the previous state. In other words, in a few months, we would be back where we are now. The only difference would be that the dollar, mark, or pound would be 10, 20, or more percent more expensive. The two previous devaluations of the, at that time, Czecho-Slovak koruna proved that. Moreover, the expected improvements in the export conditions ran into import quotas and special actions by the industrialized countries. Restrictions on imports often did not affect the unnecessary importation of consumer goods but, rather, mainly that of capital equipment.

The details from the government's announcement on the currency and economic policy will be known only after its approval by the IMF board of directors. However, we already know a few facts. For example, the National Bank of Slovakia [NBS] has gained the trust of the IMF. In the currency policy, it has stopped forcing on the bank the strictly delimited steps the fund usually demands of the Latin American countries. The mission agreed with the NBS on the goals; the choice of the means to achieve them is our affair.

Devaluation of the Slovak koruna thus is not excluded and is possible, perhaps even imminent. For it to make any sense, however, it cannot be only a matter of changing a few figures on the exchange rate board.

* Austerity Unavoidable

93CH0752B Bratislava SME in Slovak 21 Jun p 4

[Article by Ivan Stulajter, Slovak Radio, "Commentary of the Week," broadcast on 19 June 93 and shortened for SME: "It Is Supposed to Give More"]

[Text] Czecho-Slovakia became a member of the IMF on 20 September 1990. The total amount of approved credit is made up of the contingency standby credit and the compensation credit. The aggregate resources for the former federation were more than \$1 billion, and that was likewise the greatest assistance for any country of Central or Eastern Europe.

The division of Czecho-Slovakia also meant the division of the membership quota of approximately \$830 million in a ratio of 2.29 to 1. The discussions in February of this year on providing the standby credit ended in failure. The IMF mission left Slovakia ahead of schedule. A certain high state official in the Finance Ministry announced that Slovakia is not a banana republic and that the government could not accept the hard recommendations of the fund.

Last week, another mission of the IMF ended its visit to Slovakia. Its chief, Emanuel Zervoudakis, stated that the catastrophic scenario for the development of the economy did not turn out to be true. The joint result of

the consultations of the fund, the government, and the National Bank of Slovakia is the SR [Slovak Republic] Government's declaration on its economic policy. On Friday, the Finance Ministry published an extract from that document. In the budgetary policy, the government intends to limit the deficit for 1993 to 16 billion korunas. In the area of expenditures, the government is planning on reducing the investment activities and transfers. One can only supposed that, hidden under the transfers, is a subsidy for the production sphere and services. The government wants to continue to make the requirements for approval of unemployment benefits more strict. It is leaning toward establishing more precise goals for payment of benefits for children. Some expenses arising from early retirement and disability are supposed to be transferred from the state to businesses. The government is determined to apply the "reform measures" in the area of wages. It concerns those cases where the wages would cause inflation or make the competitiveness of our economy outside the country worse. In other words, it will allow the reinstatement of wage regulation. Even the average wages in the government sector will not be increased this year because of the tense situation in the budget.

To sum it all up, the differences in the budgetary restrictions within the recommendations of the February and June missions of the IMF are minimal. In the first document, there are savings quantifications clearly specified, and, in the second, there are fewer numbers and more diplomacy. The question hangs on the tip of our tongue: In February, we were not a banana republic, and today we are? In contrast to the Czech Republic, which successfully applied for the standby credit, a so-called Systemic Transformation Loan is being prepared for Slovakia. If the IMF board of directors approves the government's declaration by the end of June, the SR is supposed to acquire \$90 million. That type of loan is something new in the credit policies of the fund. It is designed for countries that do not have an adequately developed financial system and are not working with

reliable statistical data. Moreover, the conditions for drawing on the credit are apparently not as strict as in the case of the standby credit. The Systemic Transformation Loan was originally intended for countries east of our borders. Kirgizia is already using the "fruits" of that credit. It is being prepared for Russian and Kazakhstan as well.

But how should the average citizen look at that political and economic somersault? Those who supported the HZDS [Movement for a Democratic Slovakia] in the elections had decided on another economic alternative than what the IMF is now proposing. The campaign platform of the HZDS emphasized getting rid of Klaus's ideas of economic reform, which did not take into consideration the more difficult starting conditions for the Slovak economy. Now the government has signed on to something entirely different. Instead of lofty speeches on specifics, revival, and prosperity, the classic words have entered their vocabulary: income, expenditures, from whom to take, to whom to give. After all, why not? Financial discipline is the beginning of prosperity. But what are the guarantees that the government is taking its own new rhetoric seriously—moreover, when the implementation of the savings measures can kick the legs right out from under it? If we concede that the government is firmly resolved to continue with the reforms and to still work its way this year to the standby credit, we must also admit that, in the preelection campaign and for the 12 months after it, the government was either kidding around with the citizens or fooling itself.

Now even the firm opponents of the liberal reforms that stem from the premise and recommendations of the IMF understand that Slovakia does not have much choice. In the past two weeks, there has been born a project of economic policy that summarizes the possibilities for the economy with an outlook of improving its health. Slovakia has lost an entire year. Today we are again standing at the starting line. If the country has no choice of paths, it can at least chose its guides.

Kucan Interviewed on Problems of Transition

93BA1202H Ljubljana DELO in Slovene 3 Jul 93
pp 23-24

[Interview with President Milan Kucan by Janko Lorenci; place and date not given: "I Symbolize the Period of Transition"]

[Text] *The republic president on the dossiers on Sirse and Kozinc, the decline in the birth rate, the letter from the six people, and whether Slovenia will be a military frontier or part of a peaceful Europe.*

[Lorenci] Excuse me for first asking you several unrelated questions that are disturbing the public in one way or another. First of all, are you in favor of destroying the notorious dossiers?

[Kucan] Above all, I am not in favor of using them publicly. Everyone to whom a dossier applies has the right to look at it. The dossiers were prepared for a specific service at a specific time with specific purposes, and I do not know whether they can be accepted as an objective basis for assessing a person. There is also the experience of other such services around the world that have also destroyed part of their archives upon such changes. They destroy them selectively, and of course it is possible to doubt what the standard is for this. Also problematical is not only what is destroyed, but also what is left, and above all why it is left. In Germany, the Stasi's papers were finally officially denied any legitimacy. As I said, above all I am not in favor of the public use of these documents.

[Lorenci] Do you assume, think, know...that there is also a dossier on you?

[Kucan] The former KOS [military counterintelligence service] certainly had one. I assume that the other services did not collect information on me.

[Lorenci] Does it seem to you that Sirse was sacrificed, or is it correct and normal that he left the political scene?

[Kucan] I would have to be familiar with all the relevant facts. The presumption of innocence applies to everyone, and of course to state officials as well. As long as the things that supposedly incriminate Mr. Sirse are unproven, of course he does not bear responsibility for them. If he felt that under the burden of the constant repetition of still unproven accusations it was difficult for him to perform that sensitive work, it is better that he did it sooner rather than later. Of course, I am not assessing in any way his possible guilt for what he has been criticized for.

[Lorenci] Wouldn't Drnovsek have acted with political wisdom if he had somehow suspended Sirse and Kozinc after the first criticisms and suspicions appeared, instituted the most credible possible investigation of the matter, and then acted according to its findings?

[Kucan] That would be a possible way to act. In such a situation I myself would want to determine how much I could trust my associates. If talks confirmed that I could, then I would let them remain in their positions, since in this general pressure of unproven accusations it is necessary to protect people. If I had doubts, I would act as you indicated in your question.

[Lorenci] I said, if Drnovsek acted with political wisdom, i.e., if he took into account not so much his own opinion, but public opinion above all.

[Kucan] At first there was not yet any public opinion; it is only being created now with the repetition of things that are so far unproven. And that is an important question, whether a person should simply yield to that so-called public opinion, i.e., deviate from the basic principle of a law-governed state and democracy, the presumption of innocence. There is some risk in either decision.

[Lorenci] Does it seem to you that the conduct of Minister and then lawyer Kozinc in connection with Vinko Levstik and the UDBA [State Security Administration] was in any way morally reprehensible, and that now, as a minister, he should thus resign?

[Kucan] It is a matter of ethics, personal and professional. If a relationship of complete trust was established between the lawyer and his client, then how they acted was a matter for their decision; everything else is less important.

[Lorenci] The low birth rate is becoming one of Slovenia's dominant problems. In a way it is scary that the birth rate fell dramatically precisely during the last five years, which were otherwise an exceptional and one might say historic culmination for Slovenia.

[Kucan] It is extremely important for parents to feel that they can offer their children stable and dignified living conditions. In recent years we have gone through quite unstable and extraordinary circumstances. That had to have an impact. Now, in my opinion, there is no longer any reason for us to keep living with the logic of extraordinary circumstances. That logic is still being perpetuated among the public, however. To me, that is a reflection of the inability of part of Slovene politics to live with the logic of normal circumstances, with the logic of life when history is no longer being made.

[Lorenci] What does that decline in the birth rate mean to you? If we stay with metaphysical categories, is it more a consequence of a lack of a national will to live, or is it primarily a prosaic consequence of a sort of general uncertainty in these transitional times, the declining standard of living, etc.?

[Kucan] It is only proof of the pragmatism of Slovenes, who in this unstable situation with uncertain prospects simply do not want to assume responsibility for children's uncertain fate. I see their responsibility and maturity in this. I can even imagine, for instance, that I am

deciding about children, and in the evening I hear on TV that all the communists will be hanged from candelabras, and in Slovenia there were a lot of them; there are more trees, of course, and there are also enough candelabras, and when everyone is hanged, there will still be some trees left, and then the only other question is who will be the last to hang; and then in the end there is the question and the claim that nothing at all can be done in Slovenia because there are remnants of the old structures here. That is essentially a justification of the inability to use the democratic means of a law-governed state to implement fully the transformation from socialism to pluralist democracy, and to use those means to oppose the possible illegal or criminal conduct of the so-called old structures or any others. According to that logic, of course, it will be simplest of all when only one person is left, since he is the only one who will undoubtedly be right, and no one will contradict him.

[Lorenci] And if he is a communist?

[Kucan] Obviously the communist will be right. It thus seems terrible to me that anyone can even think that way in public in Slovenia. Responsible politics, committed to democracy, ought to react to that.

[Lorenci] In your last interview for DELO, back before the elections, you said that you had to continue proving your honesty and the credibility of your positions to both sides. Which two sides, and why do you have to prove it?

[Kucan] Nothing has changed in that regard. Everyday politics also shows that, namely because some people want me to symbolize the former times, and others do not agree with that. I myself want to symbolize the time of Slovenia's transition from one social system to another, and that is also how I work. That is how I also perceive my position, which I consider a position that does not make policy, but rather makes sure that policy is made in accordance with the constitution and the laws.

[Lorenci] In your recent political career, for instance during the last 10 years, perhaps you did not yet need to defend yourself the way that you have to today. I am thinking about the return of the decorations and the letter from the six people. Do you think that the letter hurt you?

[Kucan] I have never had to defend myself as much as now? I have already had to, but not because of that letter. The accusations in it are serious, but if I reduce them to the fact that an attempt is being made to put Slovenia back in Yugoslavia, I do not feel affected in the least....

[Lorenci] But you convened a press conference immediately, so to speak....

[Kucan] I convened it before 25 June, before the holiday, but of course I could not ignore the letter. The accusation was serious, since it essentially talks about a betrayal of everything that has happened in Slovenia in recent years. The letter also contains some other things that are

completely incorrect. There is an increasingly widespread habit in Slovenia of raising individual things without stating them fully, and then a concentric circle of suspicions, hints, and half-truths expands, namely in order to create an atmosphere of instability, in which it is no longer even possible to separate real and false arguments. To simplify matters: in an argument, everyone who is shouting is equally important. Now that we have—I hope—started to live with the logic of normal circumstances, there is no longer any justification for the idea that all means are allowed. There is a danger, however, that individuals and groups who do not want to admit failure will continue to act according to that idea. It is hard for me to say whether the letter is a reaction of that sort. At any rate, I am taking it seriously, because of the signatories, their prestige, and my relationship with them. The letter affects me a great deal.

[Lorenci] Were you surprised by any name among the signatories?

[Kucan] Yes.

[Lorenci] Which one?

[Kucan] I would rather not talk about it.

[Lorenci] Peterle, Bucar?

[Kucan] (Kucan ponders a bit.) One name would have surprised me, at any rate, if it had not been there. The others almost surprised me by being there.

[Lorenci] Then the letter hurt you?

[Kucan] The question is what ever does hurt a person in politics...

[Lorenci] I am thinking of your image, public reputation. The public's opinion of you is the principal element of your political effectiveness.

[Kucan] If the public accepted the claims in the letter as true, the letter would hurt me. What the public thinks will only be shown by the reactions. I am receiving many letters, including public ones. I would divide them into two groups. The first one includes letters from people who do not have any direct influence upon the broader situation, and state their positions and attitudes through the media, frequently in order to point out something and thus relieve their minds somehow. The other group includes people who also have great public influence, who choose one presumably influential addressee or another in order for the letter to have more of an impact. Public letters are part of normal political life, but it would be abnormal for them to become the main form.

[Lorenci] Were you personally affected by the letter?

[Kucan] You probably would be too if such a letter were written to you by associates from times of severe tribulations.

[Lorenci] If accusations are so absurd, as these accusations obviously seem to you, a person probably feels anger rather than regret.

[Kucan] Even earlier, especially in Belgrade, I became used to the fact that anger does not help, but only obscures the right outlook and causes emotional reactions, and those cause others in turn....

[Lorenci] Sometimes it is probably necessary to act emotionally, even in politics. If you always act according to bare reason in every situation, at least sometimes you do not act organically and naturally, as is expected from a person, and thus also not convincingly. You can thus fall short.

[Kucan] There is some risk. The risk is incomparably greater, however, if you abandon yourself to emotions. One of the essential things that I will still continue to advocate is that problems in political life have to be solved by the democratic means of a law-governed state. A law-governed state is not provided just by what is written in the constitution. It is a sort of permanent tendency. In practical politics, we confront two opposing ideas. The first, which serves as a justification for not changing, says that there are no legal norms, first of all they should be established, and then changes will come. To me, that observation of course reflects the need for us to complete the normative framework as soon as possible and use the already existing norms for the necessary changes. The other idea is that nothing can be done with the methods of the law-governed state because we are not yet a law-governed state, and consequently it is necessary to use the methods of a revolutionary state. That is a shortcut and a serious temptation; once you give in to it, it will be hard for you to return to the methods of a law-governed state. Let me illustrate. That model was used by Milosevic, when he said that constitutionality was not important, and that the will of the people had to happen at any cost; and the "people happened," first in Kosovo and then in Bosnia-Herzegovina. That is a deviation from a law-governed state. The opposite example is Italy, where the political and moral crisis and also its criminal aspects are being resolved by the institutions of a law-governed state—the courts.

In this dilemma, it is thus very clear how Slovenia has to decide.

[Lorenci] There is no golden mean here?

[Kucan] There can be no compromises on this. The meaning of a law-governed state is the self-limitation of the authorities. The instruments of a law-governed state should thus be used even when it does not suit the pragmatic interests of everyday politics or part of it. Criminal or reprehensible actions exist in every society, and the difference is how the societies react to this—whether they use the preventive mechanisms already built in, or whether they try to bypass them with the ideas that can also be heard here: the truth at any cost, it is not important how one arrives at it! I think that both

are very important, of course: what the established truth is, and which means were used to arrive at it.

[Lorenci] During a period of transition, there are of course many borderline situations, in which it is very difficult to decide between the principle of legality and legitimacy.

[Kucan] The will of the state is decisive here. It is necessary to know what is being decided on and what the consequences are. Nothing in politics is simple; otherwise politics would not be necessary. At this point the Slovene state is being tested. When we told ourselves and the world before the plebiscite what we wanted and what independent Slovenia would be like, and when we then convinced the world, we said it primarily because of our own democratic and moral commitment to certain principles, and not in order to manipulate the world. It is not possible to deviate from that.

[Lorenci] Is it true, as the letter says, that you tried to lower the level of the celebration of the day of statehood as much as possible?

[Kucan] It is not true. It is the biggest holiday of the Slovene state, and it deserves a dignified celebration, without elevation to myth and without undervaluation through improvisations. My misgivings—and I know that some other people also had similar misgivings—had to do with the question of what the holiday celebration should be like at this time of military slaughter in our vicinity and social problems (the farmers' and teachers' strikes). It was thus a question of what the celebration should be like, and not whether there should be a celebration. It would be normal for the discussion of such an important issue to take place normally, and it would be even more normal for Slovenia, in addition to a law on state holidays, also to have a body that would take care of an appropriate commemoration of all holidays in advance. That is also part of statehood, part of one's attitude toward one's state and one's past.

[Lorenci] Does it seem to you that the celebration had too military a stamp?

[Kucan] No. The army is an integral part of the Slovene state, and that state will obviously live for a long time to come on the very brink of war. We also achieved independence on the basis of a military victory, and based diplomatic action on it, which then brought a final victory. The army certainly has a place in such celebrations.

[Lorenci] At one time you had a somewhat different opinion on the need for our own army; you advocated the demilitarization of Slovenia.

[Kucan] I also thought and said then that demilitarization was a long-term orientation and interest for Slovenia. We are too small a state to...

[Lorenci] So the emphasis was then on the long term?

[Kucan] Yes. As I said, we are too small a community to be able to afford large defense expenditures. Now our defense expenditures are comparatively among the lowest, and probably too small in view of the situation that we are living in. That orientation and concept of defense, of course, does not depend upon us alone. Both now and at that time, in my opinion, it was linked to a system of European security and defense, which unfortunately does not yet exist. Expressing that desire even when we were threatened by war seemed quite normal to me. We did not want to start the war; it was imposed upon us, and Slovenia defended itself. Of course, what someone understood by these things, from the most extreme peace activists to the most hardened opponents of this, is another question. That is also one of the issues on which a normal dialogue is still not possible in Slovenia.

[Lorenci] Doesn't it seem to you, viewed in completely apolitical terms, that the celebration of statehood day was predictable for a long time and a routine cultural event?

[Kucan] I already said that the celebration of a state holiday cannot be improvised....

[Lorenci] Shouldn't such celebrations also be put in the hands of people who are artistically more capable, who are otherwise more unpredictable, and consequently can create something more exciting?

[Kucan] I will go back to my answer. The matter cannot be improvised. If the state stands behind its holiday, it has to prepare things in time. This, of course, also includes who should be entrusted with the concept, the performance of a presentation, etc. To be sure, the celebration could even be prepared in two days, but what will come of it is another question, of course. Celebrations can suffer from tendencies to make history into a myth. That has never ended well, however. Since we do not have any reason to make a myth out of our history, we should by no means keep silent, including the army. We are a people that needs self-confidence. In the past we have not had many heroic events, and consequently it is right that we should devote to them the remembrance that they deserve, with the awareness that our history is in one piece, with pleasant and less pleasant components. A people that is prepared to live with all of its history just as it is is a great people, and so far we Slovenes have been capable of that.

[Lorenci] Does it seem to you that in the last two years we have ever crossed the threshold of exaggerating history and mythologizing it?

[Kucan] No, but it is good to keep that warning in mind.

[Lorenci] Because that kind of exaggeration is in the logic of a state?

[Kucan] In the logic of a state that forgets that it is democratic and serves the citizens; a state that serves to exaggerate a policy and the politicians who created that policy.

[Lorenci] There are a lot of recognized democratic states that make a great deal of pomp out of their history, which is quite unheard of for our circumstances.

[Kucan] Let us look at an example that is close to us, Gazimestan. What that myth has turned into!

[Lorenci] That danger does not exist here.

[Kucan] I am talking about how far things can go if there are no warnings from the democratic public, and especially if there are no warnings from the civil society. It has also been touched upon by politics in Slovenia. The pompous celebrations of big traditional countries do not entail that danger, because it has already been enjoyed.

[Lorenci] Your speech at the celebration was very short, reportedly only six minutes. Was that a demonstration of any dissatisfaction on your part?

[Kucan] No. If the speech was only six minutes long, I am glad, because my speeches are usually too long. Otherwise, Mr. Rigelnik had already made a speech in parliament, where we were all present. Two such speeches, with political programs, if you will, seemed too much to me, especially at a public event.

[Lorenci] You attend very, very many ceremonies of the most diverse types. Do you ever spend a long time at them? In a way it would be understandable. To be sure, you cannot say that...

[Kucan] First of all: Who invites me to these celebrations? They are very different events, for example the opening of a village center in a village of 200 people. Of course, the criterion can be problematic, and also the assessment of whether to go or not. I think, however, that people who have done something together and would like to get some sort of recognition for it (the arrival of a representative of the state is that recognition for them), and they simply cannot be denied such recognition. When the state is mature, however, the criteria will be mature as well. I see another problem, however: very few politicians attend a number of public events.

[Lorenci] Why?

[Kucan] I have not dealt with that. In these uncertain times, however, I think that it is important for people to feel that they are connected with those to whom they have entrusted the management of the state in the elections. It particularly seems problematic to me that there are no political people, the highest state officials, on state holidays.

[Lorenci] That would be their obligation, so to speak?

[Kucan] I leave that judgment to them. In other states, it is usually considered not only an obligation, but an honor.

[Lorenci] Forgive me if I am a bit of a doubting Thomas. You said previously that you could hardly refuse an invitation to this or that ceremony, because people want your presence. You are also a politician, however, and a politician has to think primarily about himself and from that point of view it is probably bad and counterproductive for you if you attend every dog parade, as was written somewhere. Forgive the expression.

[Kucan] Yes, I really was at a dog parade; last year the European championship of police dogs was at the stadium in Sisak. There were several of us politicians there.

[Lorenci] I only mean to say that it is not good for a politician if he appears in public too often, and thus, so to speak, at every event, since he thus somehow reduces his value, and the significance of his presence.

[Kucan] I agree with that. Politicians think primarily about their careers and think about this very thoroughly. I have already said that I no longer think much about my political career, since I think that its active portion is coming to a close. I therefore care more about influencing, wherever I can, people's feeling that they are connected with this state and it with them.

[Lorenci] Does the fact that all the signatories of the letter, except for one, are former communists seem worthy of attention to you?

[Kucan] No.

[Lorenci] The letter mentions some sort of powerful group of influential people who are supposed to support the revival of Yugoslavia. In your opinion, who could those people be?

[Kucan] I don't know. Among the serious politicians in Slovenia, I do not know anyone who would even think that way.

[Lorenci] Because it would be political suicide?

[Kucan] Not just that; someone who does not understand that the Yugoslav story was ended by historical reasons would also be an absolute political illiterate. It was not ended by Slovene self-determination; that was just a consequence. Thus, if the end of Yugoslavia as a nevertheless artificial creation had not ripened in the very situation in Yugoslavia and in Europe, then Slovene self-determination in the world and with the world's reaction would also have taken a completely different course. I do not see any economic, political, or moral reasons for the restoration of Yugoslavia. That idea did not emerge in Slovenia, but it is being exploited in our domestic political confrontations. It emerged in the world when the world noted that it had made so many gross errors in assessing and interfering in the Yugoslav events. Those mistakes are not just a consequence of poor knowledge of historical processes in the Balkans,

but also of a conflict of interests among the European countries that are most influential in this region. The positions of Germany, France, England, and Russia indicate that the distribution of spheres of interest in southeast Europe and the narrower area of the Balkans is now almost exactly what it was after World War I. The world is now well aware that it is already accepting what it opposed so thunderously at first—i.e., a result achieved by war. It is trying to justify it with two ideas. The first is that it is a civil war, which eases the conscience, even though it completely distorts the facts. The second idea is that since even that partition, when it occurs, will not completely pacify southeast Europe, it is best to enclose that area again within the borders of some institutionally linked group of states. In short, this unstable area should be enclosed with some border and separated from Europe. That desire is hidden behind these ideas. A completely new issue thus arises for Slovenia, which concerns me a great deal. To be sure, it is true that no one in the world, even among the most influential politicians, sees Slovenia in that group. The question is whether we are seen as a military frontier, as a buffer zone (Hungary may also experience that fate), and where the border will be between European war and European peace, north and west of Slovenia or south of it, on the border with Croatia. The question that comes up for me is thus whether we can watch calmly to see what Europe decides about our situation, or whether we can do anything?

I am convinced that we can do something. We somehow have to link Europe to us and associate ourselves with European peace. The most direct and feasible way to do this is to start building roads and railroads, from our Italian border to the Hungarian border. These would not only be our transportation routes, but also European ones, since they would link southern Europe with northeast Europe. Europe, of course, will protect its transportation routes. There are thus strong strategic political reasons, not to mention domestic ones. Next week parliament will discuss Dr. Pucnik's proposed law on the so-called gasoline tolar, i.e., ensuring the tolar equivalent value for international credits, without which these transportation routes cannot be built. The concept has finally been prepared by the Ministry of Transportation, but the problem of our own financial participation remains unresolved. Starting construction is a vital national interest for us, since it works against having Slovenia viewed and treated as a military frontier. In addition to the strategic political effect, this is also a question of the economic, transportation, political, and of course psychological effects, not to mention preventing the danger of Slovenia's division into two parts if there are no transportation links. In short, this is an extremely important decision and if parliament does not decide correctly, we will lose incomparably more than just gasoline that is a few percent more expensive.

[Lorenci] In what kind of political events would you categorize the letter, around which this interview is revolving? So far you have publicly indicated quite

clearly that you consider the latter part of some political process or even scenario, if that is not too severe an expression.

[Kucan] I consider it proof of the transition from the logic of extraordinary circumstances to the logic of normal circumstances, in which political life also takes place in the manner of a law-governed state and parliamentary democracy. I do not have enough information for an opinion on whether there is some sort of scenario for extraordinary circumstances or whether pressure is being maintained in order to destabilize the Slovene state. That is being said, to be sure. If things are repeated—the blockade of parliament and the blockade of the state's life, its vital functions, announcements of a wave of strikes—a person will begin to think, whether he wants to or not, about whether these are only coincidences, or also part of some "scenario." In spite of that misgiving, however, I still have the opinion that such a scenario is not involved. On the other hand, one can nevertheless perceive the idea that a transition to democracy is not possible by democratic means; and in this regard, of course, I pose the question of what the alternative is then.

[Lorenci] Does it seem to you that such a disastrous conjunction of circumstances could arise that a state of emergency could be imposed? What would have to happen, in order for that to happen?

[Kucan] Refusal to submit to a law-governed state; the refusal of part of politics to use the methods of parliamentary democracy to promote its options. It is still possible to change the given political balance of power through elections, including early ones. Although they are perhaps not the most desirable thing for a stable state, they of course are not unusual or even illegal and illegitimate methods and a state of emergency.

[Lorenci] Even if you say that you do not see any scenario for destabilization, it still seems that you are talking about a great deal of political irresponsibility.

[Kucan] Of course I see some phenomena and tendencies that I view primarily as a consequence of underestimating the difficulties that could have been predicted, and that people did not want to look in the face or confront when it was time. Now that underestimation is being justified through the idea that everything is in the hands of the old structures, and that nothing has changed. Old structures, or rather people, exist, of course, and if their conduct is not acceptable, not democratic, not legal, etc., it is necessary to use the methods of a law-governed state against them. Citing the so-called old structures is a justification of one's own impotence and inability to use the methods of a law-governed state in this confrontation. I said how far that can go in the beginning, when I spoke about failing to react to the idea that people should be hanged on candelabras and that in the end the one who is most right is the one who is left at the end, because there is no one who would be allowed to have a different opinion. Living with differences, which

is the basic nature of democracy and pluralism, is still our big difficulty; and tolerance as well.

[Lorenci] Essentially, we are all probably too pessimistic. In order for a state of emergency to be imposed, a lot of extremely unfavorable events would have to come together at the same moment: economic collapse, social unrest, a complete political confrontation, a complete lack of confidence in politics, even more than now, a charismatic and adventurist figure.... The appearance of all these circumstances at the same time still seems very remote. On the other hand, the political situation, in spite of everything, is fairly stable (the solidity of the grand coalition, with sufficient support in parliament), and the assurances, not so much by the politicians as by primarily independent economists, that the economic situation remains "controllable," also seem sufficiently convincing. In the medium term moderate optimism is thus possible, along with an already calmer and more positive general mood that is not as hysterical. What do you think?

[Kucan] I agree completely. I also do not see any acute danger of a state of emergency. Perhaps it would be interesting to ask who is still talking about a state of emergency and why, why the natural order of things would be overturned, etc. Talking about how the present government coalition is unnatural is a feature of Slovene politics. From the standpoint of the basic premises of the political programs, perhaps the coalition really is unusual, but from the standpoint of the situation we are in I consider it quite normal, since it reflects the responsibility of these principal political groups for ensuring political stability, for carrying out the necessary changes, the transition to positive economic trends, and for a stable state that also inspires confidence abroad. That also seems the basic thing to me, not whether it is natural or unnatural. The interests are what is important. As long as the partners' interests are there, any coalition is natural. When the interests are no longer there, the coalition also collapses. That is also natural. Then other coalition alliances occur. Something about this coalition of ours nevertheless seems to me to be worth emphasizing as positive: all four coalition partners are preserving their basic political platform, but in spite of that, within the government they are nevertheless somehow coordinating their interests in a way that does not destabilize the government and the state. Why that is the case, and whether it is all right or not, does not interest me at this time. I view this from the standpoint of the state president, who cares about the stability of this state, its prospects, and an assessment of whether things are going in accordance with the constitution and the laws. From that point of view, my assessment of the coalition and the government is positive, as an assessment of any other coalition and government would be positive, of course, if it acted that way. What I care about is the strength and reputation of the institution.

[Lorenci] The problem of the transition between the former and present system will always remain disputed and controversial. In a way you are a personification of

this transition, and for that reason you will also always remain at least partly controversial.

[Kucan] I am aware of this, and I have reconciled myself to it. Many confrontations among the proponents of different political options, which would otherwise have to be direct confrontations, are now hidden behind a confrontation with the republic president, with me. Perhaps that is not good, since the confrontations are thus not transparent, but that is simpler for their participants.

[Lorenci] Are you ever struck by shadows of doubts about your conduct? Your current opponents will always criticize you for having been too inactive a participant in the two fundamental Slovene processes in the last 10 years, independence and the transition to democracy. In that light, do you ever reproach yourself for anything, for instance, the fact that you opposed the Majnik declaration too much or, I suspect, were annoyed at the youth organization's obstructions of Tito's relay race?

[Kucan] My position has not been the position of an opposition. I was in a position in which I was directly responsible for what would happen to Slovenia and Slovenes. My views of what was possible or not at this moment or that were often different from the views of the structures that you mentioned. The information was also different. I have always consulted on my actions and measures, and fortunately at that time there were people in the Slovene leadership who knew how to think soberly. Of course, it is always useful to discuss whether all the decisions and positions were good or not, especially now when some distance in time is already possible. I never thought that my position was the best a priority. I did have to be firmly convinced enough of it that I could defend it with conviction. It was frequently

the case that my position, the arguments in favor of it, and its defense in Yugoslavia and in the world were interpreted as Slovenia's position, which is an extremely great responsibility. Whether I was among those who were outwardly most vehement at that time or not is completely unimportant. I never did it with the thought of how much credit I would get at some point, but rather with consideration of the extent to which I could do, at a given moment, what seemed necessary to me to do. If I had acted with the assumption that I would go down in history on a white horse someday, I would have hesitated much more than I did. The less one feels responsibility to others, the more radical one's positions and actions usually are.

[Lorenci] Would you have only hesitated more, or also risked more?

[Kucan] I think that I have always risked a great deal. I tried to separate my own personal risk from the risk for the fate of what is called Slovenia. It was not always possible to separate it, of course. If it had only been a question of me, I would have done some things much earlier and also differently. Today I can judge that. Some things were also done because my opinion was in the minority. I adhered to a joint democratic decision. I view politics as the collective work of the people who, at a certain moment, have been charged with managing a party, a body, or a state. Observing an agreement, a consensus, as long as it is basically identical with your own view does not seem very difficult to me. What seems very difficult to me is subordinating oneself to a majority decision at a time when it contradicts your own value system and principles. Then, of course, the democratic method of disagreement is always left; resignation seems to me a much cleaner reaction than opposing such decisions.

Federal

Yugoslav Army Plan To Protect Krajina

93BA1202G Ljubljana DELO in Slovene 3 Jul 93 p 5

[Article by Kresimir Meler and Mirjana Glusac: "A Look Behind the Scenes of Terazije"]

[Text] "In the event of a possible attack by the Croatian Army, the Yugoslav Army has the moral and military duty to join in the defense of the Serbian population and the territorial integrity and independence of the republic of Serbian Krajina." These are the words beginning the preface to the "Terazije" (scales, balance) plan that was adopted immediately after the removal of Dobrica Cosic and the victory (so far still unannounced) by extremist forces in the Yugoslav Army's General Staff and the political leadership of Serbia, under the control of Slobodan Milosevic, Nedeljko Boskovic, and Vojislav Seselj.

According to that plan, the "activity to date of the Yugoslav Army, and also the policy of the Federal Republic of Yugoslavia [FRY] and Serbia toward the Serbian Krajinas, have been burdened by opportunism and a deliberate delay in offering assistance in these areas. It was all done with the pretext that that was the only possible way to avoid harsher international sanctions and military intervention against the FRY and the Serbian Krajina."

In explaining the above-mentioned plan, it is then said that "the operational information obtained from inhabitants of Croatia indicates that an intensive buildup of armored and infantry forces is taking place along the demarcation lines next to the pink zone and the zone under the control of UNPROFOR [UN Protection Force]. The most armored and infantry forces have been observed along the Lonjsko Polje-Zazina-Pokupsko-Karlovac line, in the Ogulin area, and on the southern border of the republic of Serbian Krajina. Elite Croatian army units have been deployed in these areas, and 10 MiG-23 aircraft have also been observed. We have also been informed that during the period before 28 June, the territory of the republic of Serbian Krajina will be infiltrated from the territory of the north-south sector by members of sabotage units, whose task will be, by sabotaging roads, telecommunications, and long-distance power lines, to facilitate Croatian forces' penetration of the republic of Serbian Krajina, to prevent effective defense, and to cause confusion among inhabitants of the republic of Serbian Krajina. According to our assessments, such actions by the Croatian Army can seriously threaten the integrity of the republic of Serbian Krajina, and thus also the safety of the Serbian population in that area. The forces of the republic of Serbian Krajina are not equipped to halt such actions successfully, and likewise they would not be capable of repelling a major attack." According to what the Yugoslav General Staff wrote in the "Terazije" plan, the republic of Serbian Krajina is directly threatened by the 113th

Croatian Army brigade, the 116th brigade, the 5th guard brigade, the 2d army brigade, the 112th brigade, the 104th brigade, the 110th brigade, and the 4th guard brigade, which are also reinforced by engineer, armor, and sabotage-assault units.

How does the Yugoslav Army intend to protect Serbs beyond the borders of its state? To start with, 1,200 soldiers from the Drina corps, 50 M-84 tanks, and about 20 Orkan II missile systems were sent from Serbia to the territory of the republic of Serbian Krajina. These were modified and supplemented Orkan systems, with which it is possible to fire up to 28 missiles of different calibers and various types simultaneously at ranges of up to 90 kilometers. Furthermore, the entire first army, half of the second army, and volunteer detachments whose members belong to the Serbian Radical Party and Serbian National Renewal are in full combat readiness. The volunteers also include several (about 800) volunteers from Greece, and also from 2,000 to 3,000 Russians and Romanians. In the event that the Croatian Army attacks the territory of the republic of Serbian Krajina, the army of the republic of Serbian Krajina, with the assistance of the Yugoslav Army and the army of the republic of Srpska, would carry out strong attacks in areas where currently there are no conflicts, primarily toward northwest Croatia and in the direction of Duga Resa, in order to cut through Croatian territory and prevent the supply of Croatian forces on the southern front. At the same time, air attacks, artillery attacks, and surface-to-surface [missile] systems would have to be used to destroy or inflict serious damage on industrial facilities, telecommunications centers and facilities, electric power facilities, roads, and especially tunnels and bridges.

In this regard, it should be stated that such analyses and plans did not occur without a basis. The Croatian Army is actually carrying out a mobilization of members of the above-mentioned brigades and accumulating them in the areas cited in the Yugoslav Army's plans. Likewise, it is no secret that for some time now the Croatian authorities have been announcing the forcible liberation of the occupied territories if the Serbs there try to implement the results of the referendum. Since in this case they are only counting on the republic of Serbian Krajina's military force (which is completely senseless, of course), the question is how successful such an action would be and whether in the end, Croatia might really turn into a relic.

Macedonia

* Information, Liaison Service Established

93BA1138A Skopje PULS in Macedonian 13 May 93
p 33

[Interview with Ljupco Naumovski, director of MILS, by Dzabir Derala; place and date not given: "Center for Prompt Information"]

[Text] *Several months ago, MILS (Macedonian Information and Liaison Service) was opened in Brussels. This*

type of information agency, set up by Ilinden, the foundation of our emigres, has as its main purpose the dissemination of information about Macedonia in the diaspora and among the broad international public. It is already becoming noticed. Its achievements and expectations were discussed by its director, Ljupco Naumovski.

[Derala] How does an agency such as MILS operate?

[Naumovski] Functioning as a news agency is only one of the activities of the MILS. MILS also engages in lobbying and providing information about Macedonia's economic, cultural, and scientific potentials. In the past seven months the information part of the agency's work developed most successfully. The MILS-NEWS is being translated into English and supplied on a daily basis to about 200 customers in 15 different countries. A translation into French is being prepared. Some of this has been commercialized and sold, and some is supplied as part of its lobbying activities. Informing the diaspora is only part of the work. It reaches all countries with Macedonian emigres. A news distribution network has been developed in the diaspora and is, to a certain extent, helped by some already established Macedonian information centers (in Paris, London, Dortmund, Perth, Toronto, Florida, and elsewhere). What is exceptionally important is the distribution of MILS-NEWS through the electronic mail, which includes 500,000 computer terminals and three million users in most universities throughout the world. Bearing in mind the nature of electronic network users, i.e., the fact that we are dealing with a professorial and scientific cadre and students, we can see that the information provided by MILS goes to the right places.

[Derala] Where is its market and how great is the need for such activities?

[Naumovski] Initially, MILS was not intended to act as a market-oriented entity. The modest budgetary means at MILS's disposal were simply not sufficient to cover the growing volume of activities. We had to find some ways of self-financing. Meanwhile, I would like to point out that the need for this kind of medium in promoting Macedonia was an absolute prerequisite for organizing contacts with the world and, especially, with the diaspora. Democratization would not be what it is without the media. This trend, combined with the lack of intense Macedonian media activities on the international scene or in the diaspora, was consistent with the use of MILS as one of the information sources about Macedonian conditions.

[Derala] Is the current situation in the Balkans and, particularly, in Macedonia, one of the factors influencing the appearance of an increasing number of such agencies?

[Naumovski] This is the highest point in the interest shown in the Balkans, not only the breakdown of former Yugoslavia but the ways through which this is happening. This bitter taste is followed by the sweet taste of sensationalism as clearly visible in the Western media.

Like it or not, Macedonia is a structural part of this dramatic wait for a resolution. Anything which promotes sensationalism as a market cliché is very welcome by the global media giants. However, all of this is temporary and is not a foundation for the agencies which have appeared in our country. I mentioned that the foundation is the democratization of the media and their existence on the basis of qualitative features, such as promptness and the objective and reliable nature of their information.

[Derala] MILS is financed by the Ilinden Macedonian Emigre Organization. What would the financial prospects of MILS be should Ilinden end its subsidies?

[Naumovski] Initially the Ilinden Foundation financed 100 percent of the MILS budget. Subsequently, we were able to cover a certain percentage of the need for funds through our own sources. Furthermore, other emigre organizations in Canada, the United States, and Europe, began to subsidize us. An initiative was launched to ensure its financing by several organizations until MILS is able independently to earn the necessary funds for its operations. I believe that we are on the right path in this initiative.

[Derala] What is the attitude of MILS toward the various organizations of the Macedonian emigres and their political activities throughout the world?

[Naumovski] MILS is totally open to all organizations of the Macedonian emigres. Its task is not to deal with their political activities throughout the world. It is a center for the transmission of information in communications among the various emigre organizations and their contacts with the Republic. Regardless of their different views and divisions, we insist on presenting them as they are. Above all, we insist on communicating and through communication on maintaining the process of dialogue and understanding.

[Derala] In that sense, what are the results and the reactions to the work of MILS?

[Naumovski] Regardless of all the compliments we receive, it is exceptionally difficult to assess the results. I already stressed that the information section is well developed. When it is a question of lobbying and presenting Macedonian views, we must work on a long-term basis and make use of all possible potential. All of us know the impact on Macedonia of the UN sanctions and the extent to which they are hindering the development of a normal economic life. Under those circumstances it is very difficult to establish not only business relations but also relations in the areas of culture and science, not to mention the restrictive regime applied by the European countries, which is becoming increasingly strict in protecting themselves from refugees and from migrations. Membership in the United Nations and the fact that the doors of international financial institutions have opened are merely the first steps. A great deal will depend on the way the Republic will present its needs for development and the success of analyzing them with the

help of international mechanisms and procedures. An information center such as MILS can only contribute to this and be used as a communications facility.

[Derala] The political opposition within and outside the country has repeatedly accused MILS of following the policy of the government. What is your comment to such reactions?

[Naumovski] In the initial period of Macedonian pluralist democracy, virtually everything was part of the folklore of political considerations. I do not know why MILS would have been spared this. Simply, in the political struggles in our country it is Machiavelli who is king, although we should have kicked him out the moment we adopted the rules of parliamentary democracy. Be that as it may, in accordance with its programmatic tasks, MILS provides reports or information supplied by the emigre organizations, the Macedonian information centers, the government, and the political parties. The objective is to accelerate the process of recognition of Macedonia. On the other hand, MILS and the government of the Republic of Macedonia collaborate very well. On several occasions we have been able to prepare some successful visit by various delegations from the European and Belgian parliaments, including the visit paid by Senator Kuypers, the journalist Zan Wolf, and more than 10 other newsmen. We would have done the same thing in cooperation with any type of Macedonian government, regardless of party affiliation. This does not mean in the least that MILS is tied to the policy of the government. We are simply trying to combine all possible positive elements in order to present Macedonia to others as successfully as possible.

[Derala] What was the reaction of the Macedonian emigres to the compromise decision adopted by the United Nations concerning the name of Macedonia and its acceptance as member of that world organization?

[Naumovski] According to available information, a good percentage of the Macedonian emigres were displeased by the idea of any change in the name of the Republic and its symbols. This is entirely understandable, bearing in mind their emotional preferences and the fact that these people are not experiencing the specific difficult conditions in which the Republic finds itself. The very act of acceptance as a UN member is viewed as helpful. However, the people are following with concern the further development of the situation and, especially, the outcome of the talks with Greece. I fear that for such reasons the Macedonian emigres may become target of political manipulation by the parties active among the emigres. It would be a pity for patriotic feelings to be manipulated politically. In general, the entire idea of party activities in the diaspora is regrettable.

* Political Aspects of Separate Istrian Identity

93BA1109A Skopje PULS in Macedonian 28 May 93
pp 24-25

[Article by Mira Suvar: "Istria as a Phenomenon"]

[Text] *Perhaps never before in their history Istria and the Istrians have found themselves so much in the center of attention of Croatia and neighboring "interested" countries—Italy and Slovenia—as is currently the case.*

Throughout its history Istria has known a number of masters. Even after World War II, most of that beautiful peninsula was part of Croatia, while its small north-western part, of Slovenia. In the spring of 1945 Marshal Tito's guerrillas liberated Istria all the way to Trieste. But, threatened by the Western allies, Tito had to pull back. Many Istrians, not only Croats and Slovenes, but also antifascist Italians, wanted to join the federal states of Croatia and Slovenia as part of AVNOJ [Anti-Fascist Council of People's Liberation] Yugoslavia. The 1947 Paris World Conference was forced to sanction the fruits of the struggles waged by the Istrians for their national and social liberation so that, as late as 1955, with the London agreement concluded between Yugoslavia and Italy, with the mediation of the United States and Great Britain, the so-called Zone B of the then provisional buffer state of the Free Territory of Trieste was abolished. With the Osimo 1975 Treaties, the border with Italy was made permanent.

As part of Croatia, Istria lived and developed quietly. Attention was drawn only to the fact that most Italians had opted in favor of Italy in the first decade after World War II, as well as to some demands of the Italian ethnic minority, whose representatives had claimed neglect and lack of understanding of some of its needs. Thanks to the strong development of tourism and industry in Pula, Pazin, and Labin, as well as the infrastructure (the tunnel at Ucka), Istria became, if not the most developed area of Croatia, at least an area in which one could live very well and most peacefully. That is why many people from other parts of Croatia and Yugoslavia emigrated to Istria.

The Croatian and other ethnic groups were the subject of greater political attention after the first multiparty elections in the spring of 1990, when power in Croatia was assumed by the Croatian Democratic Party. The fact that the Istrians do not especially tend to support the HDZ [Croatian Democratic Party] and Frnjo Tudjman and their policies became clear during the electoral campaign, when Tudjman himself was met with protest shouts and boos in Pazin, the only place in Istria he visited at that time. In seven of the seven Istrian townships, the electoral victory went to the then Union of Communists of Croatia—Party of Democratic Change. Since that time Istria has been known as the "red region," and after the strengthening of the Tudjman regime throughout Croatia, with increasing frequency Istria has been accused of insufficiently showing its Croatian character and moving toward some type of separatism, exposed to the threat of Italianization, and of the fact that here the resettled Serbs and "Yugoslav nostalgics" enjoy a great influence. Actually, Istria did not particularly emphasize its communist leanings. The

people in it wanted to preserve their antifascist traditions and preserve peace and prosperity in the area, which was their contribution to the democratic Croatia they support.

According to the 1991 Census, the Croatian part of Istria included 15,627 Italians and 135,170 Croats. The Italians are relatively better represented only in Buje (where they account for 23.2 percent of the population), Rovinj (11 percent), and Pula (6.3 percent). Neighboring Italy indeed took and continues to take some steps to strengthen the Italian influence and pro-Italian feelings in Istria. As early as seven to eight years ago, Italian pensions began to be paid to those who had served in the Italian Army in World War II. One and a half years ago, a special law was passed giving the right to Italians from other countries and, therefore, Croatia as well, to work in Italy without any restrictions. The number of students studying the Italian language in school increased several hundred percent. All of this, however, would hardly threaten the Croatian nature of Istria and its affiliation with Croatia (notwithstanding the influence of the Italian media). The reason is that in Istria, despite all foreign domination and for more than 1,000 years the Croats have preserved their national identity. In its propaganda, the Croatian government policy overemphasized the presence of Serbs and of some kind of Serbian concealed and subversive influence in Istria and the appeal of the so-called Yugo-nostalgics who are particularly visible in Istria. According to the 1991 Census there were 10,170 Serbs, 8,126 Yugoslavs, and 15,734 representatives of other Yugoslav ethnic groups in Istria. However, Istria has another strong and more than merely symptomatic feature. As many as 44,771 people here were unwilling to ethnically identify themselves as Istrians. Ivan Paulepa, the founder and first chairman of the Istrian Democratic Alliance, and a member of parliament, explained this with the fact that in Istria "an effort was made to impose a Croatian character on everything, which was not accepted here," and that the people "stubbornly refused any Croatianism" and "in its uncultured way, the Croatian authorities" forced the Istrians to identify themselves.

Largely thanks to its own political forces, Istria was spared any military operations in 1991, and the Yugoslav National Army withdrew from it virtually without firing a single shot. In that sense, the Istrians give particular credit to the then mayor of Pula and today's local chief Luciano Delbianko who, "with his wise policy and talks with the Yugoslav National Army, protected Istria from the war." The doubts expressed by Istria and the Istrians concerning some political preferences and some kind of regional separatism, originating from the ruling circles, became particularly intensive following the elections for the Assembly in the summer of 1992. All three seats in Istria were won by the IDS [Istrian Democratic Union] Regional Party. Since it was founded in 1992, it did not participate in the first multiparty elections. This was the reason for the particular concern expressed by the Croatian ruling party. The ruling party

made the firm decision to politically conquer Istria at the elections for the regional house several months later. The HDZ started making big promises to the Istrians, on the one hand, while on the other it unscrupulously attacked the leadership of the IDS and its policies. President Tudjman himself crisscrossed Istria during the electoral campaign more extensively than any other part of Croatia. The ruling party spent a great deal of money on this campaign, and the media were overwhelmed by spot ads and films promoting its policies and appealing to the people to vote for it. In the final account, however, this proved to be wasted. In the elections for the regional house and for the houses of the newly organized regions, cities, and townships (7 February 1993) complete victory was won by the IDS. Sixty-seven percent of the electorate voted for the IDS representatives to the area house, while 72 percent of the voters voted for its representatives to the Istrian Assembly. The HDZ garnered between 10 and 16 percent of the vote, while the SDP [Party of Democratic Changes], the former SKH-SDP [League of Communists of Croatia-SDP] withdrew from the political stage after its membership switched mostly to the IDS and voted for the new party.

Today in the Assembly the IDS is the third largest party, and the HDZ was forced to have talks with it about the policy that will be pursued in Istria and toward Istria. What is the profile of the IDS and what does it particularly insist upon is explained by its young chairman Ivan Jankovitz: "The IDS is a party of neoliberal origin. Its very constitution rejects any kind of extremism." The IDS program emphasizes regionalism that "as a method for settling matters on the European Continent" is inevitable, and that this is inevitable also in the organization of Croatia which, to an even greater extent, "needs a secure future." Now, taking over the political management in the Istrian area and all cities and townships in Istria, the IDS has the intention of "laying the foundations for Croatian regionalization," inasmuch as this is possible within the existing laws. Rejecting any accusation that it does not want Istria to remain part of Croatia, the IDS proclaims that it would like to see Istria be part of Croatia and of Europe and that it would like to see it openly linked, across state borders, to a "regional Europe." This greatly worries not only the HDZ leaders and ideologues but also most other Croatian political parties.

IDS membership covers a wide spectrum from left to right. Nonetheless, the basic orientation of the party is more to the left. The IDS proclaims its antifascism. Given the current situation in Croatia, this is noteworthy. Luciano Delbianko, the former communist and today IDS member, is possibly the most popular person in the area. He explains the great interest of the people in the IDS as follows: "Perhaps what attracted the people the most was the announced antifascism, for the people here do not forget that 70,000 lives were lost in Istria for the freedom to join Croatia and Yugoslavia." According to him, in Istria the HDZ "was not accepted simply because it was unable to pursue a policy of nationalism."

In assuming power on all levels in Istria, the IDS proclaimed two more things that worried the authorities in Zagreb: bilingualism, in the sense of the equal right to use in official affairs both the Italian and Croat languages, and the demand of the Istrian region to include within it the part of Istria located east of Ucka, Opatija, and the surrounding areas, as well as the islands of Cres and Mali Losinj that, with the new division into regions (completed one year ago) are within the Primorsko-Goran area. Fulvio Tomica, one of the best Italian writers, himself of Istrian and Croatian origin, says about the policy pursued by Zagreb toward Istria, that "Croatian nationalism emerged self-confidently from the quarrel with the Serbs and today does not tolerate any other flags," and that "it is regrettable that Zagreb finds it so difficult to realize that variety should be valued and that Istria could become the real jumping grounds for a movement to Europe." In any case, Istria has already provided a strong example to the other areas in Croatia in terms of the structuring and strengthening of regional parties, such as the Dalmatian Action, the Rieka Democratic Alliance, the Medj Christian Party, and others.

*** Ethnic Serb Party Opposes Foreign Forces, Bases**

*93BA1138C Skopje VECER in Macedonian 1 Jun 93
p 23*

[Statement by the Democratic Party of Serbs in Macedonia, Dr. Boro Ristj, chairman: "No Price Can Be Put on Freedom and Independence"]

[Text] *The reason for this statement is the public speech by the minister of national defense on foreign military forces and bases in Macedonia.*

In connection with information on the presence of foreign military forces and bases on the territory of the Republic of Macedonia, the Main Committee of the Democratic Party of Serbs in Macedonia issued the following communication at its regular 28 May 1993 session:

Information published by the public media in the Republic of Macedonia, as well as the statement by the minister of national defense of the Republic of Macedonia in connection with the stationing of military forces and bases in Macedonia, as well as the announcement that Macedonia has requested NATO membership, indicate the following:

On the one hand, that this plan had been agreed upon and carried out quite some time ago, so that now it is merely a question of psychologically preparing the population for an easier ratification of what had long been agreed upon and signed;

On the other hand, this indicates that, once again, the national-bolshevik coalition has misled the people and

violated the first part of the 8 September 1991 referendum on having an independent, sovereign, and autonomous Macedonia for which the Macedonian people and the citizens of Macedonia voted.

Actually, the presence of foreign military forces and bases means saying good-bye to a sovereign and independent Macedonia. Furthermore, soldiers are always followed and serviced and provided logistic support by a certain number of civilians. All of them will have a great influence on Macedonian democracy in its political life, resulting in the creation of a puppet state in which the power will go to those who will obey them.

Inviting the world policeman, i.e., the United States, to issue an open threat, use pressure, and mount an aggression against the Federal Republic of Yugoslavia from the territory of the Republic of Macedonia means, actually, calling upon the Serbian people to rebel against the regime in that country that is still independent and sovereign and totally refuses to obey the policeman.

This historical error and treason committed by the national bolsheviks in the Republic of Macedonia will never be forgiven, not only by the Serbian people but also by the fraternal Macedonian people.

Freedom and independence have no price. It is easy to summon foreign military forces. However, it is difficult to get rid of them.

As a justification and reason for this entire mess, the national bolsheviks are telling the citizens of Macedonia that the presence of U.S. forces and bases in Macedonia is necessary because of an alleged military threat on the part of Serbia.

We claim that neutral and democratic Macedonia would never be attacked, least of all by Serbia. Still, should neutral and democratic Macedonia be attacked by anyone, at that point the Serbs in Macedonia would be in the first ranks of the defenders of this Macedonia. However, we shall never defend a Macedonia as a puppet undemocratic state, especially should it serve foreign masters.

Furthermore, the main committee of the Democratic Party of Serbs in Macedonia has submitted its resolution to Roderick Moore, representative of the State Department in the Republic of Macedonia, to whom it submitted a letter of protest about the forthcoming presence of U.S. military forces and bases on the territory of the Republic of Macedonia, for their presence, in addition to everything else, would mean a disruption of political life and balance in Macedonia that would lead inevitably to Macedonia's Lebanization.

*** VMRO-DPMNE Considers Formation of Shadow Cabinet**

93BA1123A Skopje PULS in Macedonian 4 Jun 93 p 15

[Article by Aleksandar Comovski: "Englishmen in Our Parliament"]

[Text] *Having an opposition Council of Ministers could make Assembly sessions more fruitful.*

With the idea of setting up its own Council of Ministers, and with extensive media publicity and persistence, the VMRO-DPMNE [Internal Macedonian Revolutionary Organization-Democratic Party of Macedonian National Unity] is trying to consolidate its party ranks and prove that it is not a one-mandate party. On the other hand, despite the haphazard choice of people nominated in the first elections to represent it in parliament, the VMRO-DPMNE is making a serious effort to defuse two major charges constantly leveled by its opponents: its lack of people capable of governing, and their lack of knowledge about running the state.

In the past two and a half years the idea of a "shadow cabinet" has been repeatedly brought up. During the period of the experts government headed by N. Kljusev, all parliamentary parties organized their opposition forces. Even then the Social Democratic Alliance announced and initiated preparations for establishing its own ministerial cabinet. Activities aimed at training cadres did not reach the stage of specific implementation. The ideas were based on the old pattern of positioning their top party leadership in the areas to be taken over. Surprised as well as forced to implement the mandate of forming the first political government, the social democrats were not prepared to promote, affirm, and interpret the idea of a "shadow cabinet." In forming a cabinet the party used combinations, such as choosing among new party personalities like T. Gosev and Dj. Ismail, and the liberal-democrat D. Maleski, Lj. Frckovski, and J. Miljovski. The last three were names that appeared on the plurality stage through the so-called Reform Commission, headed by P. Gosev, who was appointed by the social democrats as the mandate holder in the first attempt at forming a coalition government.

Based on the logic of the activities, structure, and position of the "shadow cabinet," the present prime minister was to have appointed party cadres: E. Hajretin for information; L. Kitanovski for the political system; and V. Milcin and I. Mitreva for culture or international relations.

The initial attempt was not successful for the VMRO-DPMNE. Other than B. Sinadinovski (international relations) and B. Zmejkovski (police), that party did not involve its cadre assets in the talks on forming its cabinet based on the familiar coalition principles. At that time the strongest parliamentary group refused to include "its own" ministers in Kljusev's cabinet. Now as well, it accepted the demand that some of them participate in the shadow government of the VMRO but not as "party members" but as "experts" who would help the party in developing the concept for and implementing a state policy. The fact that these preparations are serious is confirmed by the following choices of candidate ministers: a professor at the Department of Natural Sciences

and Mathematics for science; a stomatology department professor for health; and a retired general for minister of defense.

The very structuring of such a "governmental team," according to Ljupco Georgievski would increase their electoral chances. "The people will clearly know what type of people we have," claims the leader. This could be interpreted as an effort to bring up on the political stage the second party echelon that would have a greater political weight, as a prerequisite for the 1993 or 1994 elections. Even though operating in a strictly advisory capacity, any party shadow cabinet, particularly in the case of the VMRO, its existence would limit the range of activities of its promoters and become more a delaying factor while energizing the promoters of party and state strategy.

In order to make the pressure for a party regrouping more complete and more comprehensive and bring the electoral search closer to its sympathizers and the citizens at large, it is obvious that the VMRO-DPMNE will have to make public the name of its candidate for prime minister. "Our choice has already been narrowed down to two serious and authoritative names in the areas of politics and science," we were told by Lj. Georgievski. "Their nomination will probably indicate that that party will definitively abandon the 'image' of having an ad hoc appearance on the Macedonian stage."

The existence of a so-called shadow cabinet is familiar in Great Britain and functions on the basis of the usual and traditional principles of the oldest parliamentary democracy. In making resolutions of a strategic (read national) interest, the government must inform its opponents of all relevant arguments and assessments. Of late we have become familiar with the existence of direct contacts and stable communications between the sectorial Ministries of Defense, Police, and Finance, and their opposition counterparts, as specifically demonstrated in the Falkland War. The existence of a shadow government is most optimal in a bipolar parliamentary system. Under such a system the government is powerful and in frequent cases controls the parliament, particularly when a one-party majority has been secured. The existence of a strong and organized political party presumes, as a rule, that the initial composition of a government team will be rejected. One of the positive prerequisites is that all ministers are also members of parliament.

For the time being, the Macedonian political circumstances and our underdeveloped, individual and collective democratic nature of government do not provide major opportunities for the forming of a "shadow cabinet." It cannot exist on the basis of ordinary rules. Furthermore, the sense of how to play the political game remains undeveloped.

We need pragmatic solutions, unrelated to any serious legislative or constitutional changes, to provide the basic possibilities for the functioning of party-based ministerial cabinets. First comes a change in the practical

procedures. Second, the reorganization of the management of the National Assembly and the rejection of the "Bolshevik" rationale for making it a nonparty institution. On the contrary, in addition to the classical bureaucratic apparatus, the parliamentary parties need loyal advisers who will come and go as part of the Assembly, with each new electoral mandate. This would make it possible to avoid "spying" on the opposition by and for the benefit of the government. "It happens," we were recently told by the head of the VMRO-DPMNE, that "the advice we seek from the Assembly advisers is reported to the ruling party, thus informing the government of our intentions and tactics." It is almost excluded for any Albanian expert to participate in the activities in the Assembly, to be present in the parliamentary building, or be included in the team of advisers.

Another restricting factor is the Constitution, which does not allow ministers to be chosen from among the representatives. It is obvious we should give more serious thought to having all representatives receive regular annual benefits, income, or salary. Such an Anglo-Saxon variant would tie them more closely to the Assembly and encourage them to analyze the statements made by the government and the laws, as a counterbalance to boring mumblings and personal reminiscences.

The very idea of establishing a "shadow cabinet" is interesting because of the newly created conditions for the regrouping and consolidation of political forces in Macedonia. Second, "familiar names" will become part of the electoral game and, with a positive projection, would assume the executive powers. Third, any eventual formation of an opposition cabinet that would change the agenda of the parliament, would make the questions asked by the representatives that would embarrass the government more interesting and more direct.

It has been quite some time since we noted a more spirited and intelligent polemic debate that would indicate to us the way the government is working and what the opposition thinks.

*** Party of Yugoslavs in Macedonia Changes Name**
*93BA1138D Skopje NOVA MAKEDONIJA in
Macedonian 7 Jun 93 p 2*

[Article by B.B.: "A New Name and a Contemporary Program"]

[Text] *Second annual meeting of the Party of Yugoslavs in Macedonia*

Kumanovo, 6 June—At its second annual meeting, held today in Kumanovo, in the presence of some 50 delegates (from 35 branches in Macedonia) and guests, the Party of Yugoslavs in Macedonia changed its name and will henceforth be known as the PJM—Yugoslav Unionist Civil Alliance (PJM-JUGA). This is consistent with the new bylaws that were adopted at today's meeting and make it consistent it with the bylaws of parties of the same name in Serbia and Croatia, determining the new, somewhat changed political orientation and strategy of the party throughout former Yugoslavia.

Precisely according to the new bylaws and the announcement about the future activities of the PJM-JUGA, the party will promote unity among citizens and ethnic groups on the territory of Yugoslavia, on the basis of their interest of living in a state of agreement and peace and progress, based on a long historical past, and the interwoven nature, similarity, and identity of languages, traditions, and cultural, family, and other ties that are major reasons for promoting an atmosphere of understanding, tolerance, cooperation, and agreement. The party will struggle for the gradual and lasting development of a political union among republics within Yugoslavia, in which its members will be organized on the basis of the standards of parliamentary democracy and guaranteed human natural and civil rights and freedoms, and the creation, as was pointed out, of a third or fourth Yugoslavia. In that sense, it was agreed upon for the party to promote cooperation with all other parties with a Yugoslav orientation and parties with a civil orientation in all former Yugoslav republics. At the end of the meeting, a new executive committee was elected, consisting of seven members. Slobodan Ivanovski was elected chairman. Voislav Karastojanovski was elected deputy chairman.